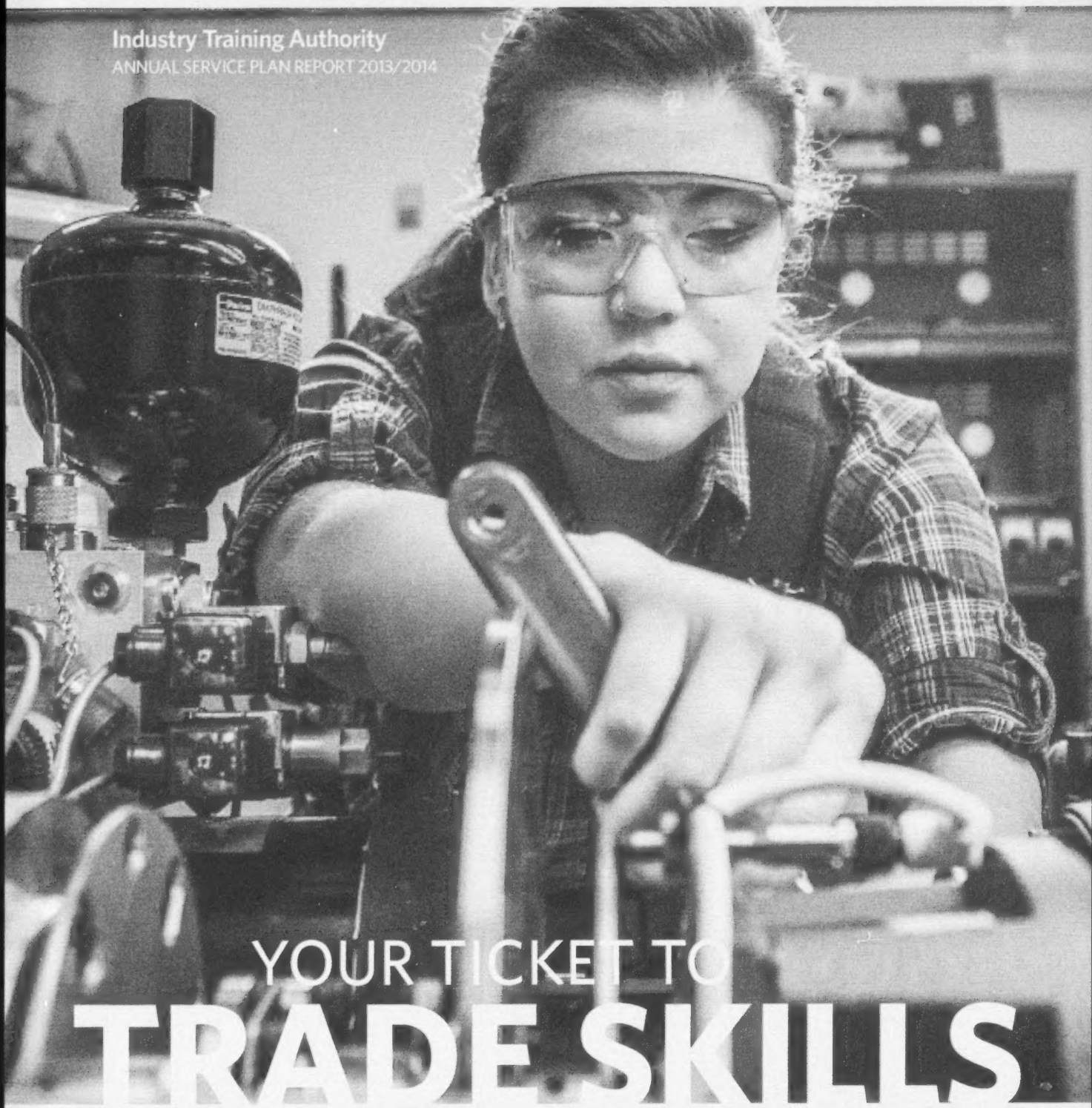
ita

Industry Training Authority

ANNUAL SERVICE PLAN REPORT 2013/2014



YOUR TICKET TO TRADE SKILLS

Registered Apprentices as of March 31, 2014

TOP TRAINING PROGRAMS

CONSTRUCTION ELECTR
CARPENTER 4,640 **PROF**
PLUMBER 2,726 **WELDER**
SERVICE TECHNICIAN 2,1
EQUIPMENT TECHNICIA
(COSMETOLOGIST) 1,219
(MILLWRIGHT) 1,176 **REF**
AND AIR CONDITIONING
(REFRIGERATION MECH

All Other Programs = **11,468** Total Registered Apprentices = **37,734**

ICIAN 6,635
ESSIONAL COOK 3,179
2,250 AUTOMOTIVE
70 HEAVY DUTY
N 1,455 HAIR STYLIST
INDUSTRIAL MECHANIC
RIGERATION
G MECHANIC
ANIC) 816

NEWLY REGISTERED APPRENTICES
during 2013/14

Professional Cook	2,022
Construction Electrician (Electrician)	2,008
Welder	1,663
Carpenter	1,521
Plumber	904
Automotive Service Technician	841
Hairstylist (Cosmetologist)	575
Industrial Mechanic (Millwright)	442
Heavy Duty Equipment Technician	381
Heavy Equipment Operator	375
All other Programs	4,750
Total Newly Registered Apprentices	**15,482**

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MESSAGE FROM THE

BOARD CHAIR

To the Honourable Shirley Bond
Minister of Jobs, Tourism and Skills Training and Minister Responsible for Labour

Shortly after the close of the Industry Training Authority's (ITA) 2013/14 fiscal year, the BC Provincial Government released The Industry Training Authority and Trades Training in BC: Recalibrating for High Performance (McDonald Report) as part of BC's Skills for Jobs Blueprint: Re-engineering Education and Training (www.itabc.ca/mandate-review). The McDonald Report recommendations offer a new path forward for ITA and the future of trades training in British Columbia. ITA's role in BC's innovative, cross-government education plan is now strengthened and focused with new direction, structure and aligned resources.

I am proud to serve as Chair of the Board recently appointed to support ITA's new focus. I would like to extend my personal appreciation to those who served as Directors in 2013/14 and, in particular, to my predecessor, Frank Pasacreta. Their passion for the industry training system resulted in the many positive accomplishments ITA will demonstrate in this 2013/14 Annual Report.

Solid Accomplishments in 2013/14

Early in 2013, ITA concluded province-wide consultations that identified key supports necessary for both apprentices and sponsors to address barriers to apprenticeship continuation and completion. The first four Apprenticeship Advisors were placed regionally across BC to four priority areas: building knowledge of the apprenticeship system, advising sponsors and apprentices, boosting apprentice success and supporting apprentice and sponsor connections. Additional Apprenticeship Advisors will be added over the coming months.

Research and consultations led to a refreshed youth strategy, Kindergarten to Certification, supporting dual-credit high school programs such as Accelerated Credit Enrolment in Industry Training (ACE IT) and the Secondary School Apprenticeship (SSA), which have earned support throughout the education system and within government. Elements of the strategy, like the new Trades Sampler course, Maker Day and Mentorship Project are adding to the existing menu of ITA initiatives introducing youth to the potential of a career in the trades.

ITA achieved four of seven of its outlined performance measures and exceeded targets on two of seven (within five percent) but fell short on the target on Certificates of Qualification issued (see pages 10-13 for more details). Community-based efforts to celebrate and encourage apprenticeship sponsorship bore fruit with an increase in registered sponsors from 9,300 to 9,548. Other performance measures tracked very close to target.

Rising demand for skilled workers underscores the importance of ITA's efforts to maximize the potential of British Columbia's existing and potential pool of workers. Collaborative efforts with the Government of Canada to attract and facilitate participation by Aboriginal people, women and new Canadians continued with ITA successfully managing projects funded by the Canada-BC Labour Market Agreement.

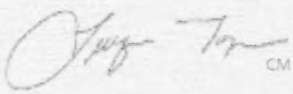
Initiatives to introduce Standardized Level Exams and enhanced assessment tools will provide clarity and opportunity for those seeking to earn certification. These improvements increase employer confidence in the knowledge and ability of job applicants, and can streamline the education process for those pursuing certification.

ITA's core funding level from the provincial government remained in place for 2013/14. Effective surplus management strategies resulted in a surplus of $1.252M which is a significant decline from the 2011/12 high point.

The Path Forward

ITA's team is energized by the confidence that the government and system partners have shown in the organization with the enhanced responsibilities and new directives from the Blueprint. We look forward to meeting this challenge and ensuring up-to-date data drives future programming decisions. This past year marks the end of one phase in the history of the Industry Training Authority. This Annual Report provides evidence of the foundation developed for the launch of the next phase.

This annual report was prepared under the direction of ITA Board, which is accountable for its content and for the internal controls to ensure its accuracy. In accordance with the Budget Transparency and Accountability Act and the BC Reporting Principles, the report reflects performance for the year ended March 31, 2014, with reference to the 2013/14 Service Plan. All significant decisions, events and identified risks as of May 31 ,2014, have been considered.



Gwyn Morgan
Board Chair

ITA's team is energized by the confidence that the government has shown in the organization with the enhanced responsibilities and new directives from the Blueprint.

MESSAGE FROM THE

INTERIM CHIEF EXECUTIVE OFFICER

The response to our 'Kindergarten to Certification' youth strategy suggests that a new generation has taken notice of a career in the trades.

To our customers, partners and stakeholders

Those of us who have travelled the apprenticeship pathway and earned a Certificate of Qualification or Red Seal are often passionate about the benefits of apprenticeship. You can find equally strong support among employers and educators. I am excited to tell you that the response to our 'Kindergarten to Certification' youth strategy suggests that a new generation has taken notice of a career in the trades.

A New Generation

ITA completed an extensive consultation with teachers, parents, students and counselors that helped shape our 2012/13 Kindergarten to Certification youth strategy. This past year we put some of the best ideas from that strategy in to practice.

A new Mentorship Project was piloted in three school districts: Vancouver, Salmon Arm and Terrace. Employers and journeypersons have been volunteering their time to help youth enrolled in high school pre-apprenticeship programs. Mentorship has always been a core element of the apprenticeship system, and this pilot initiative may bring enormous benefits to youth looking for guidance as they start their trades training.

In partnership with the Ministry of Education, we worked with school districts and educators to develop a Skills Exploration 10-12 course. This course will give students the chance to earn high school credit while exploring the possibility of a future apprenticeship.

We continued our YES 2 IT program to give students a chance to try-a-trade and we also piloted Maker Days with schools to give more hands-on opportunities to discover the joy and sense of accomplishment that comes from design work and solving problems.

We are excited about our youth initiatives, and increasing the continuation rates from existing school programs such as ACE IT and SSA into apprenticeship.

Regional Apprenticeship Support

We started rolling out the new regionally-based Apprenticeship Advisors this year. We will continue adding team members in the following year to achieve our target of 15 regional Advisors. The Apprenticeship Advisors are an important extension of ITA's Customer Support team. Their role is to help build knowledge and awareness of the BC apprenticeship system, provide guidance to apprentices and employer sponsors, and offer additional support for Aboriginal students.

Flexibility

Important investments were made by ITA to attract young people, women, new Canadians and Aboriginal peoples to earn their ticket in the trades. Similarly, investments were made to modernize assessment tools for a more dynamic and responsive training system that serves the province and its economy. In moving forward with these initiatives, ITA must harvest the wisdom of our partners and stakeholder communities.

Industry Engagement

ITA developed Industry Relations Manager positions in early in 2014, demonstrating the importance and determination to enhance this key relationship with industry directly. The McDonald Report (www.itabc.ca/mandate-review), released April 29, 2014, recommended significant changes in this facet of ITA's work, bringing the work of the Industry Training Organizations in-house and creating Sector Advisory Councils to build effective bridges with industry.

ITA's team looks forward to working with government and other system partners to implement the recommendations outlined in the McDonald Report and BC Skills for Jobs Blueprint. Even as plans are underway to respond to new accountabilities, the past year's accomplishments have demonstrated a commitment to lead BC's industry skills training and certification system.

Gary Herman
Interim Chief Executive Officer

ITA AND INDUSTRY TRAINING OVERVIEW

ITA works with employers, employees, industry, labour, training providers and government to issue credentials, manage apprenticeships, set program standards and increase opportunities in approximately 100 BC trades.

VISION

Highly skilled and productive people making British Columbia's industries prosperous and globally competitive

MISSION

To lead British Columbia's industry skills training and certification system through collaboration and innovation

ITA is tasked with ensuring that credentials are highly valued and available, and that apprenticeship training is delivered effectively and efficiently.

ITA enables workers to acquire and verify relevant workplace skills, improving their employability and career options. Careful alignment of training for skilled workers with current and future industry requirements provides employers with the skilled labour they need to succeed. Together, the skilled labour force and industry generate economic prosperity for British Columbia.

PUBLIC INTERESTS SERVED

Improved Economic Performance, Competitiveness and Growth Potential for British Columbia
Better Opportunities for Individuals
Skills Needs Met for Employers

ITA's legislative mandate *(the Industry Training Authority Act)* encompasses training program designation, program standards, assessment standards and procedures, issuance of credentials (based on completing training programs or demonstrating equivalent skills), and setting requirements relating to the training delivery it funds.

ITA ORGANIZATIONAL STRUCTURE

ITA Executive and Senior Leadership Team

ITA operates from an office and customer service centre in Richmond, with information and examination services available through Service BC's approximately 60 locations around the province. Apprenticeship Advisors provide service to the regions from bases in Kelowna, Nanaimo, Prince George and Terrace.

ITA CORE BUSINESS AREAS

Department and Responsibilities

Customer Support
Frontline services provided to current and prospective apprentices, other trainees and sponsors in person, online, by phone and by Apprenticeship Advisors. Customer Support maintains records, and is the first point of contact for other stakeholders.

Program Standards and Assessment
Development and maintenance of BC training program standards, and integration of national Red Seal program requirements as appropriate, in coordination with industry, training providers and other stakeholders.

Development, administration and maintenance of written and practical assessment tools, in coordination with industry and training providers, to measure individual achievement of program competencies. This includes administration of exams.

Training Delivery
Development of strategies and management of ITA's training investment for apprentices, underrepresented groups (women, new Canadians and Aboriginal people and youth), through public, not-for-profit, for-profit training provides and school districts contracted to provide these services.

Labour Supply Initiatives
Development of strategies and programs to increase access to and participation in trades training for target groups (Aboriginal people, foreign-trained workers, women and youth).

Strategic Initiatives
Identification and management of strategic innovation opportunities and special projects aligned with ITA's strategic direction.

Corporate Support
Corporate financial management, procurement, human resources management and information management.

Communications
Promotion of skilled trades careers and provision of information to employers, apprentices and challengers to enable them to access training and certification.

Industry Relations
Industry Relations Managers with solution-focused services to strengthen understanding and collaboration between ITA and industry clients, including business, labour and training providers.

TRAINING SYSTEM AND PARTICIPANTS[1]

■ Service Delivery Partners ■ Customers

Six Sector-Based Industry Training Organizations (ITOs)

Automotive Training Standards Organization
Transportation Career Development Association of BC
Construction Industry Training Organization
go2hr: The Resource for People in Tourism
HortEducationBC
Resource Training Organization

Technical Training Providers (funded by ITA 2013/14)

15	Public Post-Secondary Institutions
24	Funded Trainers
54	School Districts
25,717	Training Seats Purchased

9,548 Sponsors Providing Work-Based Training*

41,283	Registered Participants
3,549	Registered Foundation Program Participants*
4,247	Youth Participants
2,178	ACE IT Program Participants[2]
711	SSA Program Participants[3]

5,845 Completing Apprentices Awarded Credentials (2013/14)

1,214 "Challengers" Awarded Credentials based on existing skills (2013/14)

Employer sponsors provide the work-based training that makes up the majority of an apprenticeship program.

Non-profit ITOs provide input on training plans and programs, and deliver assessments and other services under agreements with ITA.

Technical training providers deliver the institution-based training that makes up the balance of apprenticeship, under agreements with ITA.

Foundation programs do not require an employer sponsor to participate and provide an entry point to and partial credit towards completion of apprenticeship.

Various targeted programs are designed specifically to recruit youth and members of target groups (women, new Canadians, Aboriginal people) into industry training; they often provide credit towards apprenticeship completion.

Credentials verify that the people holding them possess the industry-defined skills needed to succeed in a specific occupation, and are nationally recognized in the case of Red Seal trades.

* year end
[1] Structure of BC's industry training system as of March 31, 2014
[2] As of February 2014
[3] As of March 2014

GOVERNANCE

ITA's Board of Directors is appointed by the Minister of Jobs, Tourism and Skills Training and Minister Responsible for Labour. The Board is accountable to the Provincial Government through the minister responsible for the performance expectations defined in ITA's Service Plan, Letter of Expectation and Service Level Agreements.

KEY ROLES

- Accountable to the provincial government through the designated minister responsible for ITA
- Set vision and strategic direction for ITA's activities in alignment with government priorities
- Ensure risk-management measures are in place
- Ensure effective use of resources
- Hold management accountable for defined performance results
- Report to government, stakeholders and the public

PRINCIPLES AND KEY PRACTICES

- Exhibiting strong leadership by building strong relationships with industry and system partners
- Meaningful management oversight through reporting relationship with CEO
- Monitoring performance to ensure ITA's outcomes align with industry and economic need
- Adherence to Code of Conduct and Conflict of Interest Policy
- Continual improvement through annual governance assessment and best practices monitoring
- Clarity and transparency regarding governance practices

The members of ITA's Board of Directors have fiduciary responsibility for stewardship of the organization and for ensuring achievement of its mandate and goals. They have diverse backgrounds and are guided by the best interests of the organization and its customers within government's direction in conjunction with the Government's Letter of Expectations.

ITA adheres to best practices and guidelines established by the Board Resourcing and Development Office (BRDO), including its governance-related disclosure requirements (www.itabc.ca/leadership/governance-ita).

DIRECTORS AND COMMITTEE RESPONSIBILITIES [4]

Frank Pasacreta > Ex-officio member of all committees (Chair)
Allan Bruce > Governance (Chair), Human Resources
Allan Cullen > Human Resources (Chair), Audit
Rick Kasper > Audit, Human Resources
Patty Sahota > Audit, Governance
Laura Stanton > Audit (Chair)

[4] Board composition as of March 31, 2014. A new Board was announced in May, 2014, and this Annual Report is presented by the new Chair, Gwyn Morgan.

REPORT ON PERFORMANCE

In 2011/12 ITA's Board undertook a comprehensive planning exercise to develop a three-year strategic framework through to 2014/15.

The two primary goals identified in that planning exercise and adopted in 2012/13 were sustained in the performance management framework for 2013/14. These goals align directly with ITA's legislative mandate and the public interests it advances, including providing skill-development and recognition opportunities for individuals, and aligning skilled-labour availability with employer needs. The goals also align with ongoing direction from government, including *Canada Starts Here: BC Jobs Plan – Skills and Training Plan*, and the accountabilities defined in annual letters of expectation.

In 2013, the Board made a decision to move the organization forward to better address the training and apprenticeship opportunities in BC with a different leadership skill set.[5]

The seven performance measures used in 2012/13 were also carried forward to 2013/14, allowing the ITA Board to view performance against baseline data.

The key strategies by which each goal is pursued are determined annually. Since existing ITA strategic directions were well-aligned with ongoing direction from government and the accountabilities defined in annual letters of expectations, in many areas ITA was able to continue to advance major strategies with minimal adjustments. Extensive province-wide consultation, planning and research in 2012/13 formed the basis for the launch of several powerful new initiatives in 2013/14: the introduction of regional Apprenticeship Advisors, implementation of elements of the Kindergarten to Certification youth strategy, and advances in assessment techniques through the Enhanced Challenge Pathway and implementation of Standardized Level Exams. ITA also undertook significant internal re-alignment of their resources and capabilities to support these strategies, including building internal capacity in performance assessment, industry relations and improved leadership skills.

In 2013/14, ITA exceeded its target for the number of registered sponsors: there was a 3.9 per cent increase in the number of registered sponsors from the previous year. The number of students continuing from pre-apprenticeship programs into apprenticeship also exceeded its target, rising from 51 per cent to 54 per cent. Targets for the Sponsor Value Index were met and the Capacity Utilization target was exceeded. The satisfaction with ITA credentials remained high, although slightly lower than the target numbers. The record number of credentials issued in 2012/13 was not matched in 2013/14, reflecting patterns in the economic/employment/training cycle resulting in fewer credentials issued. Detailed discussions of these results are presented on pages 10 -13.

[5] At this time, Gary Herman was appointed Interim CEO and Jeff Nugent was appointed Interim COO while continuing as Chief Strategy Officer. The new Chair and Board of Directors will determine the timing of a CEO recruitment.

PERFORMANCE MANAGEMENT FRAMEWORK 2013/14

GOAL 1

ITA credentials are valued by a broad range of industries and individuals, and align with the economic needs of BC

CRITICAL IMPORTANCE

- Credentials are the core outcome of ITA's work.
- Each credential enhances a person's career prospects. Employers across the province and across the country recognize the value of the credential.
- For employers, satisfaction with an ITA credential is based on their confidence in the skills and abilities each certificate holder has acquired. For individuals, satisfaction reflects both their confidence to translate skills into workplace tasks and the potential to convert training into employment.
- ITA credentials contribute to economic prosperity for individuals and the province.

PERFORMANCE MEASURES

- Number of Credentials Issued
- Investment per Credential Issued
- Satisfaction with ITA Credentials

GOAL 2

Employment-based apprenticeship is viable, efficient and effective in producing credentialed workers

CRITICAL IMPORTANCE

- Apprenticeship training is the most common means by which people earn ITA credentials, and ITA is directly responsible for its management and improvement.
- An efficient and well-functioning apprenticeship training system attracts more sponsors and apprentices, and allows more participants to complete their certification in a timely manner. It also influences the level of public investment in apprenticeship delivery.

PERFORMANCE MEASURES

- Total Registered Sponsors
- Sponsor Value Index
- Continuation from Pre-Apprenticeship to Apprenticeship
- Capacity Utilization

OPERATING ENVIRONMENT

CHALLENGES

The trades continue to be unfamiliar and/or underappreciated as a viable, positive career choice for many British Columbians, and some demographic groups are under-represented in the trades.

IMPACT

- Recruitment to the trades is hampered both by public perceptions of the trades experience and by a lack of awareness of the scope and quality of trades careers. Many young people, women, Aboriginal people and newcomers to British Columbia and Canada do not see the trades as a desirable career choice.
- These perception and awareness issues pose a challenge for ensuring sufficient supply to meet mid- and long-term labour demands.

2013/14 ACTIONS

- Undertook outreach and engagement initiatives to build trades awareness and improve brand recognition.
- Began implementing initiatives from the 2012/13 Youth Strategy: a youth-focused website, three Mentorship Project pilots, and the new Maker Day curriculum and resource guides.
- Continued promotion of labour market programs directed at under-represented groups. Researched and developed a best practices guide for employers hiring women in the trades and held three regional forums and a conference on women in the trades.
- Delivered sponsorship promotion and recognition campaigns directed at both existing and potential sponsors.

CHALLENGES

Continued strong demand for skilled trades requires effective and efficient mechanisms to assess and credential trade skills – including those obtained informally or outside of the BC trades training system.

IMPACT

- Employers and apprentices need to have confidence that the official assessment tools used to determine skill levels offer efficient and fair evaluations of worker competencies.
- Tools that accurately assess skills to specific levels help workers avoid unnecessary retraining.
- Competency-based assessments help on-the-job or foreign-trained workers the opportunity to achieve certification.
- Highly respected credentials encourage employers to hire with credentialed workers with confidence. They also encourage workers to complete the technical requirements for certification, and enjoy the labour mobility that comes with a recognized ticket.

2013/14 ACTIONS

- Worked with industry, labour and training providers to develop Enhanced Challenge Pathways for five target trades: Construction Electrician, Carpenter, Millwright, Metal Fabricator and Heavy Duty Equipment Technician. Updated policies, procedures and increased program flexibility and rigour to allow more challengers to access these programs.
- Created a model for competency-based assessment tools and developed tools for five high-demand trades, which will be piloted in 2014 and launched in 2015.
- Undertook consultations with training providers regarding the implementation of standard level exams and launched standard level exams for 52 trades.
- Realigned internal capacity and resources to support performance assessment in addition to traditional exam-based assessment.
- Began working with other provinces to harmonize apprenticeship programs in Red Seal trades

CHALLENGES

Ongoing stakeholder/industry engagement confirms the importance of system supports for both apprentices and sponsors.

IMPACT

- The apprenticeship training system is complex and evolving.
- Sponsors and apprentices have indicated that increases in the type and availability of supports available to them would improve apprentice and sponsor numbers, and help apprentices move more efficiently through the system to completion.

2013/14 ACTIONS

- Appointed Apprenticeship Advisor with regional supports in Nanaimo, Kelowna, Prince George and Terrace. Advisors help employers and apprentices navigate the apprenticeship system and provide ITA with local intelligence to help refine the apprenticeship system.
- Enhanced ITA's Direct Access system:
  - to support key ITA initiatives such as Apprenticeship Advisors and LMA programs
  - to respond to customer requests by providing online options for ITA processes
  - to ease employer sponsor workloads by integrating with their systems for work-based training information
  - and to become more user-friendly for apprentices by enabling access to exam and course results, as well as work-based training hours on mobile devices.
- Launched development of an online employer/apprentice job match service in partnership with WorkBC.
- Developed video and print guides for sponsors and apprentices and launched a youth 'microsite' with information on trades careers and programs.
- Based on extensive research and consultation, developed a best practices guide to employing women in the trades. www.itabc.ca/managing-apprentices/best-practices-guides#WITT
- Developed a best practices guide to employing Aboriginal people in the trades. www.itabc.ca/managing-apprentices/best-practices-guides#AITT

ITA PERFORMANCE RESULTS

ITA Performance Measures: Results Summary 2013/14

Performance Measures	2013/14 Target	2013/14 Results
Credentials Issued	8,000	7,059
ITA Investment per Credential Issued	$13,752	$15,494
Satisfaction with ITA Credentials		
Employers	79%	77%
Credential holders	86%	84%
Total Registered Sponsors	9,300	9,548
Sponsor Value Index	77%	77%
Continuation from Foundation Programs to Apprenticeship	50%	54%
Capacity Utilization	87.5%	90.5%

GOAL 1

ITA credentials are valued by a broad range of industries and individuals, and align with the economic needs of BC

STRATEGIES

- Continue to promote training participation and sponsorship, in partnership with government and other stakeholders, while using regional workforce table reports and other sources of labour market information to align training with opportunity
- Accelerate the development and implementation of competency-based assessments, providing an alternative credentialing pathway of particular value for those with existing skills (including skills acquired outside British Columbia)
- Expand implementation of Standard Level Exams

MEASURE

Number of Credentials Issued

Credentials issued upon either successful completion of an apprenticeship, or assessment of existing skills through the Challenge process.

2011/12 Actual	2012/13 Actual	2013/14 Target	2013/14 Actual	2014/15 Target	2015/16 Target	2016/17 Target
8,750	8,042	8,000	7,059	8,250	8,500	8,750

IMPORTANCE

Each credential issued verifies that an additional member of the workforce possesses the occupational skills needed to carry out a particular trade. The number of credentials issued depends on the efficient functioning of the training system as a whole: from recruitment into apprenticeship, to availability of work-based and technical training, to effective assessment tools and program completion. It is the most encompassing of ITA performance measures, but it is also strongly influenced by external factors.

Targets are set to align with projected mid-term provincial labour market requirements, while accounting for recent participation trends and typical training progression.

OUTCOMES

The number of credentials issued has dropped both years since the record high 2011/12. That peak was likely a reflection of high apprentice intakes prior to the 2008 economic downturn, coupled with temporary increases in ITA investments in higher-level training.

Most apprentices take four to six years to complete the apprenticeship cycle. The higher than normal number of credentials issued in 2011/12 and 2012/13 are believed to be the result of two factors:

1. A reflection of higher apprentice registrations in the four to six years previous. When employment opportunities became scarcer, many apprentices with sufficient hours took the opportunity to complete their technical training and progress towards certification.

2. During that period, ITA also increased training investments for apprentices already in the system at higher levels to encourage apprenticeship completion for those who had already met most requirements.

The number of 2013/14 credentials issued was lower than its target. Compared to 2012/13, the apprenticeship completions for those registered four to six years ago decreased, which is likely a reflection of delayed completion due to labour market conditions. It is anticipated that a portion of apprentices delayed will be issued credentials at a later time. The number of credentials issued to challengers also decreased.

MEASURE:

ITA Investment per Credential Issued

Total annual ITA operating expenses divided by credential issued during the fiscal year.

2011/12 Actual	2012/13 Actual	2013/14 Target	2013/14 Actual	2014/15 Target	2015/16 Target	2016/17 Target
$11,804	$13,190	$13,752	$15,494	$11,570	$11,320	$10,909

IMPORTANCE

The ratio of operating expenses to the number of credentials issued is a measure of ITA's success in maximizing the impact of the public investment in industry training. It indicates how efficiently ITA is allocating resources and managing expenses in relation to the number of credentials issued.

Investment per Credential targets are linked to the number of targeted credentials and forecasted expenditures in the years ahead. Higher costs per credential in some periods can reflect investments with longer-term benefits and/or a decrease in the number of credentials issued.

OUTCOMES

The lower number of credentials issued in 2013/14 negatively impacted ITA's performance against this measure.

MEASURE:

Satisfaction with ITA Credentials

Survey-based measurements on a 100-point index relative to several potential outcomes of holding a credential, including: demonstrating skill sets to employers, competitive employment advantage, and contribution to earning potential and employer profitability.

Credential Holders

2011/12 Actual	2012/13 Actual	2013/14 Target	2013/14 Actual	2014/15 Target	2015/16 Target	2016/17 Target
n/a	86	86	84	86	86	86

Employers

2011/12 Actual	2012/13 Actual	2013/14 Target	2013/14 Actual	2014/15 Target	2015/16 Target	2016/17 Target
n/a	78	79	77	80	80	80

IMPORTANCE

Credentials are ITA's primary output. Their value rests in the satisfaction that customers – both credential holders and employers – have with the product. Satisfied customers mean that an ITA 'ticket' has real value. Employers rely on it as a measure of competency and productivity, and workers covet it as a key to employability and pride.

The level of satisfaction with ITA credentials is an indicator of the extent to which ITA is serving the public interest, by contributing to career opportunities and supporting prosperity.

The initial 2012/13 surveys for this measure established high baseline satisfaction rates for both credential holders and employers. Targets, going forward, were set to maintain the level for credential holders and seek a modest improvement for employers.

OUTCOMES

528 credential holders and 849 employers[7] completed ITA's performance measurement survey in November 2013. Rates of Satisfaction with ITA Credentials for both credential holders and employers dipped slightly below target levels. However, these survey-based measurements are within the range that can be considered consistent with the previous year's scores.[8]

[7] Of the 849 sponsors completing the survey, 726 were sponsors and 123 were non-sponsors
[8] 2013 ITA Key Performance Indicators, Sentis Research, Jan 16, 2014.

GOAL 2

Employment-based apprenticeship is viable, efficient and effective in producing credentialed workers

STRATEGIES

- Implement enhanced supports for both apprentices and sponsors, including web-based service improvements, additional resources and new regionally dispersed Apprenticeship Advisors
- Sustain and continue to refine youth strategy with a particular focus on continuation from high school to apprenticeship
- Foster stronger employer participation, in partnership with ITOs, and with a focus on registration and recognition of sponsors
- Pilot the development of flexible training delivery models

MEASURE

Total Registered Sponsors

Number of employers (includes associations, unions and joint training boards) registered as the sponsor of one or more active apprentices at year-end.

2011/12 Actual	2012/13 Actual	2013/14 Target	2013/14 Actual	2014/15 Target	2015/16 Target	2016/17 Target
9,412	9,188	9,300	9,548	9,500	9,700	9,900

IMPORTANCE

Registered sponsors provide the work-based training which is the basis for most apprenticeships. The availability of sponsors who can offer work-based training determines how many people can pursue apprenticeship at any given time, and how quickly they can complete it.

Apprenticeship relies on willing sponsors. Sponsorship is voluntary, and highly dependent on economic conditions.

Targets are linked to identified levels of training availability and participation levels that align with projected mid-term labour demand. Targets also take industry's hiring capacity into account.

OUTCOMES

ITA significantly exceeded its target measure for the number of registered sponsors, reversing a downward trend from a high of 10,884 in 2008/2009.

Economic confidence linked to the projected demand for skilled tradespeople is a likely factor in this increase. Additional factors include ITA investment in improved supports for employers and apprentices, sponsor recognition programs, and as outreach and engagement strategies to strengthen industry relationships.

MEASURE

Sponsor Value Index

Survey-based measurements on a 100-point index relative to several aspects of sponsorship value, including: training/skill needs alignment, contribution to profitability, recruitment and retention advantage, and manageable administrative requirements.

2011/12 Actual	2012/13 Actual	2013/14 Target	2013/14 Actual	2014/15 Target	2015/16 Target	2016/17 Target
n/a	76	77	77	78	79	80

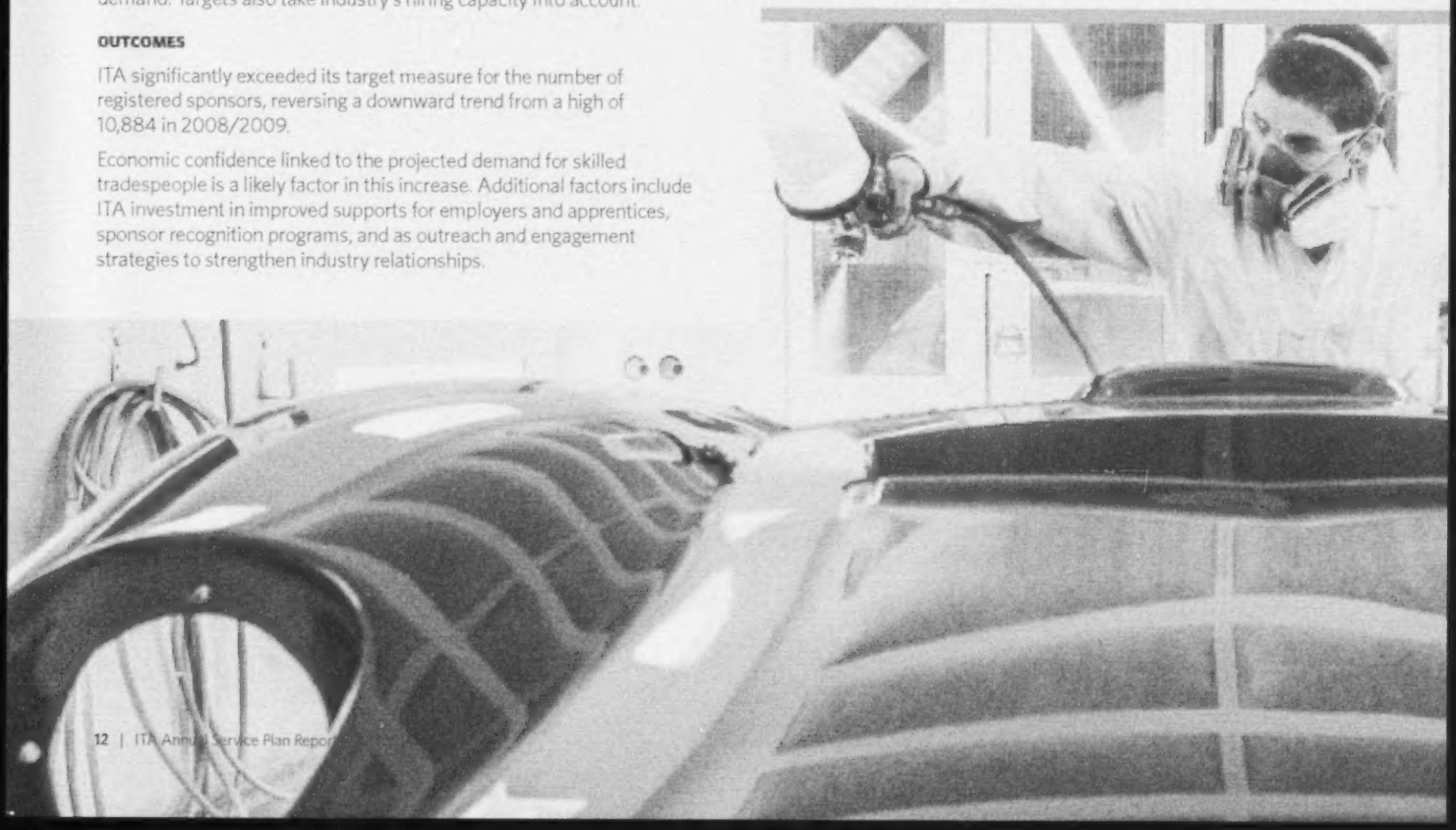
IMPORTANCE

The willingness of sponsors to take on apprentices – and encourage other employers to do so – is dependent on the perceived value apprenticeship brings to their business. Employers must believe that their involvement in apprenticeship provides a return on investment, and feel that the administrative burden is not too heavy.

The Sponsor Value Index is a measure of sponsor-perceived benefits of hiring apprentices. It provides insights that can guide improved program delivery and training outcomes.

OUTCOMES

ITA out-performed the baseline rate established in 2012/13 and met the increased Sponsor Value Index target for this period. The result is based on a survey of more than 700 sponsors. Overall, the majority of sponsors remain satisfied/very satisfied with apprenticeship value in each of the four measurement areas making up the index. Sponsors were most satisfied with the manageable administration requirements component, which may reflect ITA's increased focus in 2013/14 on providing improvements to the Direct Access system and the introduction of regional supports through the Apprenticeship Advisor program. ITA utilizes the Sponsor Value Index as well as the component variables and other survey data to inform continuous improvement efforts.



MEASURE

Continuation from Foundation Programs to Apprenticeship

Percent of successful completers of a foundation program who register as an apprentice within 12 months.[2]

2011/12 Actual	2012/13 Actual	2013/14 Target	2013/14 Actual	2014/15 Target	2015/16 Target	2016/17 Target
45%	51%	50%	54%	52%	54%	54%

IMPORTANCE

Foundation programs offered by training institutions provide participants with basic occupation-related skills and credit towards an apprenticeship. For many people, they provide a feasible entry point to industry training, particularly when traditional sponsorship opportunities are limited.

ITA supports these programs as a mechanism to stream participants into apprenticeships and towards credentials, and the rate of continuation from foundation to apprenticeship is a direct measure of ITA's success in this strategy.

OUTCOMES

Continuation Rates from Foundation Programs into Apprenticeship have been on an upward trend and have risen by nine percentage points since 2010/11. In 2013/14, the Continuation Rate rose by three percent over the previous year, and exceeded ITA's target by four percent. This is likely a result of an improved economy and ITA's ongoing emphasis on ensuring pre-apprenticeship programs are closely workplace-linked, focused on trade-specific job-readiness and provide effective pathways to apprenticeship.

Targets for 2014/15 and beyond have been adjusted upwards to reflect this positive result.

MEASURE

Capacity Utilization

Percent of ITA-funded technical training seats filled by registered participants. This is a weighted average of both apprenticeship and foundation program training seats.

2011/12 Actual	2012/13 Actual	2013/14 Target	2013/14 Actual	2014/15 Target	2015/16 Target	2016/17 Target
87.8%	89.6%	87.5%	90.5%	88.0%	88.5%	90.0%

IMPORTANCE

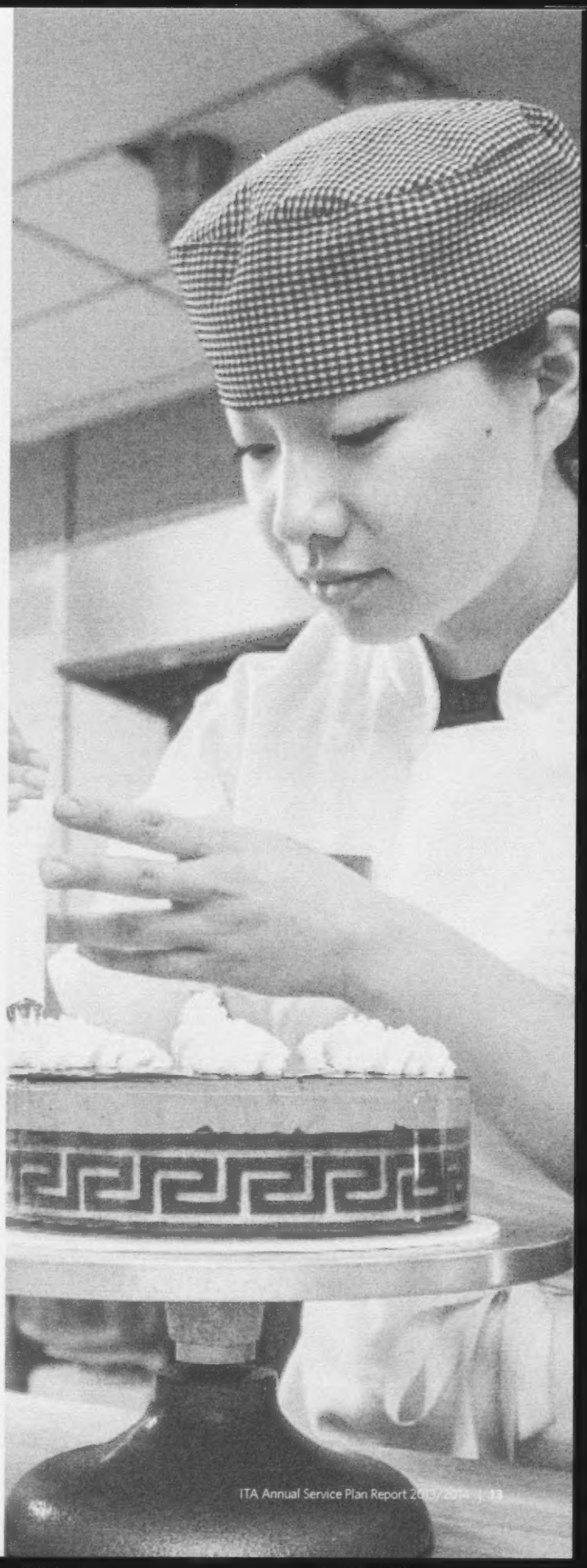
Training delivery is ITA's largest spending category. The percentage of seats filled in ITA-funded technical training programs is a measure of the efficiency of funding allocation for training.

Higher utilization rates indicate fewer unused training seats and a greater return on each dollar spent. However, ITA must set targets that can accommodate economic fluctuation: utilization rates that fall short of the target may be a reflection of the need to maintain training capacity (teachers, infrastructure, etc.) to meet forecasted future demand.

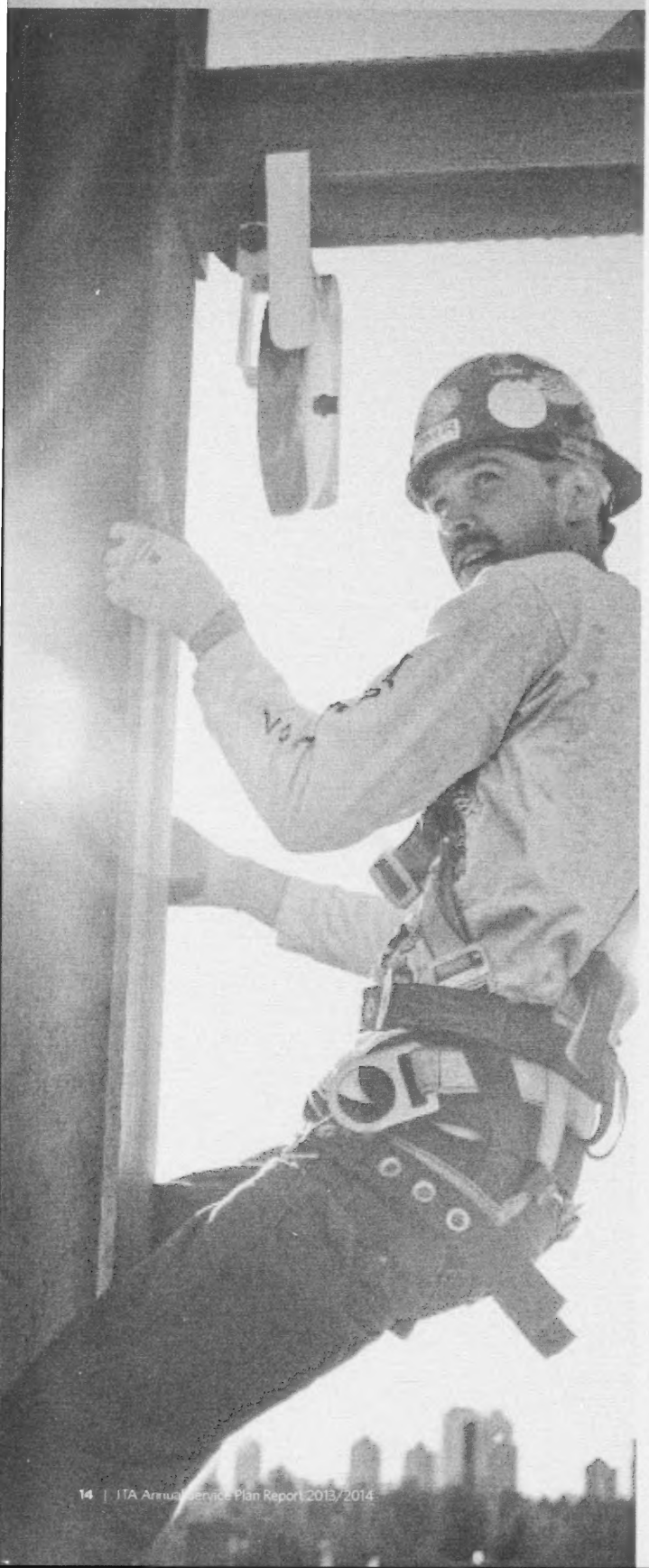
OUTCOMES

Training delivery investment saw actual utilization rates finish above the target for 2013/14.

[2] As reported to date, this measure had been based on continuation by participants in Foundation programs. Beginning in 2014/15 it will be expanded to include participants in youth-specific pre-apprenticeship programs, as well as participants in ITA programs targeting increased trades participation by women, new Canadians and Aboriginal people.



DATA SOURCES + BENCHMARKING



DATA SOURCES

PERFORMANCE MEASURE

Number of Credentials Issued

ITA Investment per Credential Issued

Total Registered Sponsors

Continuation from Foundation Programs to Apprenticeship

DATA SOURCE

ITA Direct Access

COMMENTARY

ITA's Direct Access information management system was custom-designed to meet ITA's specific customer service and performance management requirements. It is subject to clear data-entry procedures and business rules. Management is therefore fully confident in the resulting data.

Data from Direct Access is combined with expense data from audited financial statements to calculate ITA investment per credential.

PERFORMANCE MEASURE

Capacity Utilization

DATA SOURCE

ITA Databases and Training Provider Data

COMMENTARY

ITA maintains databases specifically to track and manage its purchase of training seats. Data from this source is combined with usage data from training providers to arrive at this measure. Given established procedures and the lack of complexity in tracking such data, management is confident in its reliability.

PERFORMANCE MEASURE

Satisfaction with ITA Credentials

Sponsor Value Index

DATA SOURCE

Professional Opinion Research Providers

COMMENTARY

Sentis Market Research Inc. was commissioned by ITA to conduct the baseline survey that introduced these performance measures in 2012/13 and the 2013 survey results reported here.

Data was collected by combined telephone and online surveys. Industry best practices and quality assurance methodologies were employed throughout the process.

ITA management is confident in the data reliability, subject to the margins of error defined by the research provider.

REGIONAL APPRENTICESHIP SUPPORT WITH APPRENTICESHIP ADVISORS

Delivering on the Premier's announcement in the 2012 *BC Skills and Training Plan*, and after province-wide consultations, ITA moved forward with Apprenticeship Advisors tasked with helping both apprentices and sponsors overcome barriers to apprenticeship completion.

The initial four Advisors are located in Kelowna, Nanaimo, Prince George and Terrace. They, along with one manager based in Richmond, they are an extension of ITA's Customer Support team.

Nearly 1,000 people participated in the community consultations in 2013 that helped shape the Apprenticeship Advisor initiative. From employers, to training providers, apprentices and industry leaders, there was consensus that additional supports would help both sponsors and apprentices navigate the apprenticeship process.

The Advisory Group overseeing the ITA consultation identified four priority areas that will guide the work of the new Advisors:

- Building knowledge of the BC apprenticeship system
- Advising apprentices and sponsors
- Boosting apprentice success
- Supporting apprentice and sponsor connections

Apprenticeship Advisors will complement existing ITA and training provider supports. Regionally-based Advisors will provide on-the-ground support to both sponsors and apprentices. Their knowledge of the apprenticeship system will be put to use in both attracting and mentoring new sponsors. They will also ensure that ITA's existing supports for apprentices are better known to trainers, sponsors and local employment agencies.

Learn more about the Apprenticeship Advisors at www.itabc.ca/our-trades-training-system/apprenticeship-advisors

Additional Apprenticeship Supports

During the year, ITA added more apprenticeship supports for both apprentices and employer sponsors:

- Apprentice Guidebook and Apprentice Overview video www.itabc.ca/about-apprentices/apprenticeship-basics
- Employer Guidebook and Employer Sponsor Overview video www.itabc.ca/overview/info-employers
- Direct Access "How-To" video guides on how to login, how to register with a sponsor and how to enter work-based hours www.itabc.ca/apply-apprenticeship/how-guides

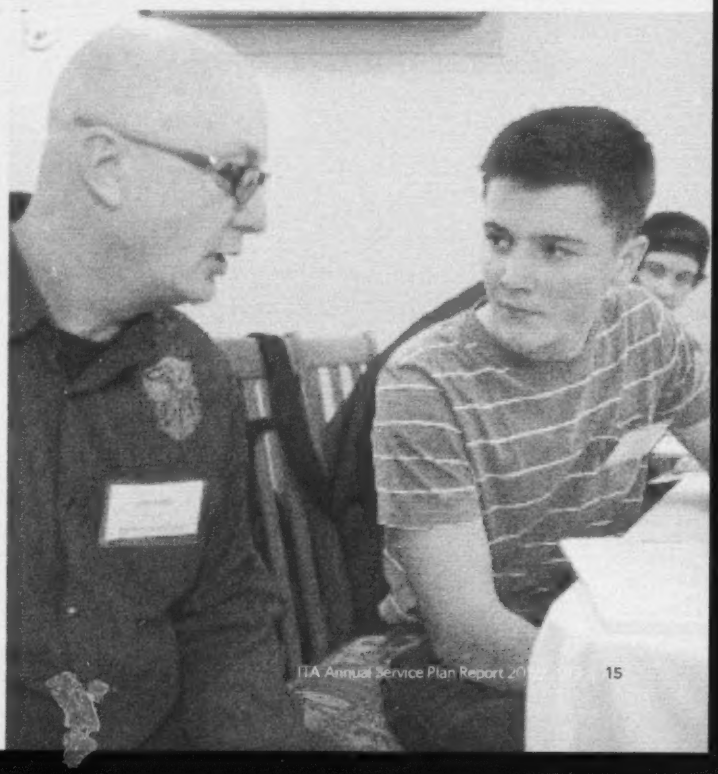
RENEWED YOUTH STRATEGY PAYS EARLY DIVIDENDS

Extensive consultations with teachers, parents, youth, and school counselors have helped ITA refresh its Youth Strategy and identify initiatives that will introduce youth to the career potential of trades training. ITA will continue to align activities with the 10-year Skills Plan for youth in partnership with the government.

Two of the staples of ITA school-based training are the ACE IT and SSA programs. ACE IT gives high school students the chance to earn dual credits. Their hands-on learning experience earns both a high school credit and a credit towards their apprenticeship. ITA's research identified that continuation and completion rates double for youth apprentices who participate in both ACE IT and SSA. As a result, ITA introduced a new dual-registration grant in September 2013 to encourage School Districts to register students in both programs.

The SSA program allows students to start their on-the-job apprenticeship experience before graduating from high school. Students are paid by their employer while learning their craft. They can also log up to 480 hours credit for apprenticeship work experience and earn 16 graduation credits from their high school. Enrollment continued to rise in the most recent school year reported. The SSA program eligibility was extended from "high school enrolled" to "19 or under by June 30" to allow for transition into apprenticeship.

ITA continues to support Foundation Programs to deliver the kind of Level 1 training that employed apprentices would receive to students who do not have an employer. This simulates work-based training and helps Foundation students become job-ready. Last year, 5,167 individuals received Foundation certificates, an increase of 4.4 percent over the previous year.



MENTORSHIP PROJECT PILOTED
www.itabc.ca/youth/programs

"My own mentor, years ago, had a great influence on me, and that has flowed through me to all of my employees and our firm. My hope is that I can continue, through the Mentorship Project, to give the same support to others. I can't wait to get the ball rolling."

Hal Andrews, President, Contech Construction

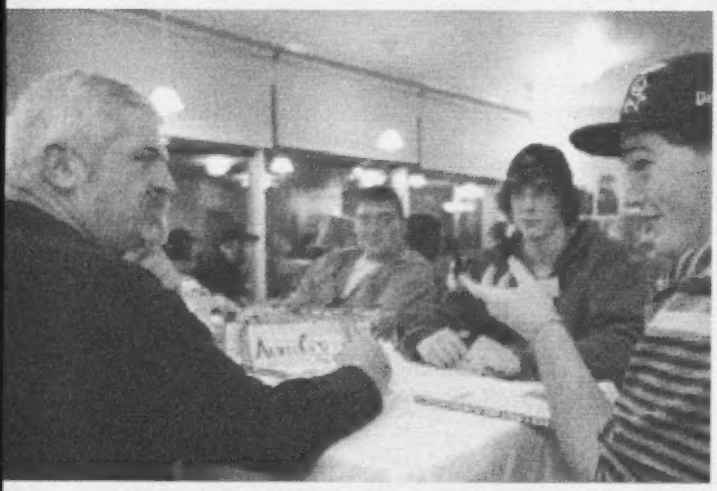
Mentorship has always been the cornerstone of apprenticeship. ITA's Mentorship Project extends the benefits of trades training mentorship to high school students enrolled in pre-apprenticeship programs.

This program provides instruction to support both students and employer sponsors.

In 2013/14, course materials were developed and three pilot projects were launched in January 2014, in Vancouver, Coast Mountain and North Okanagan. Mentorship guides touched on generational differences, effective listening skills, giving feedback and the importance of respectful workplace relations.

For youth enrolled in pre-apprenticeship programs, the mentorship program provided networking opportunities with local employers and real-world guidance on setting goals and managing expectations. Employers were also able to impart the importance of other job-readiness skills that are not always familiar to high school students.

Evaluations of this 2013/14 pilot project are underway.



SAMPLING THE TRADES
www.itabc.ca/youth/programs

ITA certifies approximately 100 trades. It's one thing to recognize the value of earning a Certificate of Qualification, but most students could also use a little help identifying the best fit for their interests and aptitudes.

2013/14 saw collaboration between educators and ITA to develop a trades exploration course for students in grades 10 to 12. The Ministry of Education partnered with ITA and developed a new course called Skills Exploration 10-12. The course provides hands-on experience for Grade 10–12 students interested in trying different trades before enrolling in a high-school apprenticeship program (ACE IT and/or SSA). The early success of the program ensures a full provincial rollout of the high school credit course in September 2014.

One of the more innovative aspects of the Skills Exploration course is the built-in flexibility. School districts are being encouraged to tailor the delivery of this new course to meet the needs of local industry. The menu of trades to be explored will align with labour market conditions in their community/region.

Skills Exploration 10-12 was first launched as a pilot in Surrey. School Districts choosing to introduce the program may offer the course during the summer, after school during the term, or on weekends.

MAKER DAY PILOTED
www.itabc.ca/youth/programs

In collaboration with the University of British Columbia's Innovative Learning Centre, ITA has developed Maker Day Tool Kits for teachers interested in giving their K-12 students a hands-on building experience.

The first Maker Day event was held for 80 educators in the Okanagan in November 2013. In three professional development sessions, 240 teachers were introduced to the program. In March, 2013, 80 students from School District 83 (Sicamous), participated in Maker Day. Two short videos capture the proceedings; watch them at www.itabc.ca/events/maker-day.

Evaluations from these first events will guide future plans for the program. The response from teachers has been exciting. Maker Day Resources have been viewed by 4,800 teachers and educators with word-of-mouth encouragement driving interest.

"Many kids don't have garages or basements and have never had the opportunity to hold tools or operate equipment," says Susan Crichton, Director of the Innovative Learning Centre at UBC. "Maker Day encourages students to be creative, tinker, and solve problems in a collaborative manner."

The experience also helps reposition the trades and change attitudes for teachers and parents. "Real learning can happen when you're working with your hands," Larry Espe, Superintendent, Trades and Transitions. Maker Day is a great way to link problem solving, innovating and design thinking with the trades.

Students enjoyed the chance to roll up their sleeves and get a real taste of the challenge and joy of building something, creating a design concept, working with a team, being creative and having a tangible result for their efforts. "A small idea gets bigger, through team work," Scott Anderson, Principal.

View Maker Day videos: www.itabc.ca/events/maker-day

YOUTH PROMOTION IS KEY

ITA has accepted the challenge to expand opportunities for youth to receive training for trades careers prior to graduation by increasing capacity in K-12 apprenticeship programs by 2015/16.

Established programs such as ACE IT and SSA have gained traction and pilots such as Maker Day and the Mentorship Project have earned very positive reviews. However, getting the word out is crucial. ITA has also built a micro-website, www.itabc.ca/youth, that showcases young apprentices across the range of trades. The promotional activity also includes an active social media strategy, production of quality video and collateral materials.

The "Lions in the House" promotion saw 25 schools in the province visited by members of the BC Lions, there to deliver a strong message about the value of trades training. And, as always, our spring Youth Newsletter and Youth brochures were sent to high school students in every corner of British Columbia. We're getting the word out!

OPENING THE TRADES

Funds made available by the Canada-British Columbia Labour Market Agreement (LMA) have allowed ITA to complement its own investments and deliver additional supports to attract interest and create better opportunities in the trades for three target groups, women, new Canadians and Aboriginal peoples. ITA has been managing these LMA programs, now called the Canada Job Fund, since 2008/09. Successful negotiations have extended the Agreement beyond the original six year term on an interim basis until December 2014.

POWER UP WOMEN IN THE TRADES

ITA's Women in Trades Training (WITT) program has provided support to more than 2,500 women since 2008.

Contracted service providers across the province delivered customized assistance to women that included financial support for items such as books, childcare, transportation and safety equipment.

With the five-year project funding from the Canada-British Columbia Labour Market Agreement drawing to a close in March 2014, ITA took the opportunity to build on the program's accomplishments and sharpen planning for the future. The practical and personalized support provided by the program earned high marks from nearly 200 participants attending "Power Up Women in the Trades" forums hosted by ITA in Prince George, Kelowna and the Lower Mainland last fall. Students, apprentices, employers, parents and educators showed up and spoke up at the evening sessions. View Kathy, Kelly, Mila, Louisa and Marigold's stories at www.itabc.ca/events/power-conference.

The forums provided an opportunity to increase awareness of WITT supports, get feedback from trades women and community leaders, and consider future strategies to increase the percentage of women in trades training, currently at 10 percent. Discussions and recommendations addressed recruiting strategies, financial resources, workplace culture and mentorship. ITA also shared with forum participants a new ITA resource: Leveling the Field: A Best Practices Guide to Employing Women in the Trades.

- www.itabc.ca/managing-apprentices/best-practices-guide

In addition to the hosted regional forums, ITA carried out research and literature reviews and reached out to more than 900 participants in surveys and interviews to better assess current and potential supports to increase participation rates for women in trades training. The combination of lessons learned, successful programs and growing interest among employers and women point to even greater participation by women in trades training.

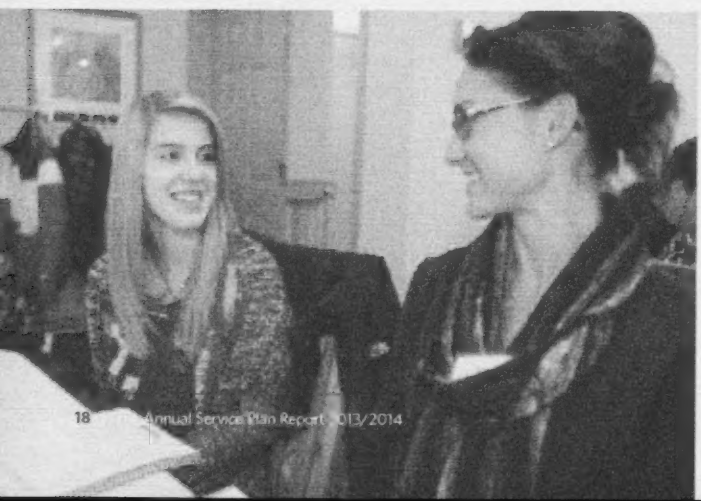
DOING IT RIGHT– ABORIGINAL PEOPLE IN TRADES TRAINING

Since 2006/07, the number of Aboriginal people enrolled in trades training in BC has more than doubled.

Part of the success can be attributed to the Aboriginal in Trades Training (AITT) investments funded by the LMA and managed by ITA over the past six years. ITA carried out a review of the program in 2013, surveying key stakeholders from Aboriginal agencies, industry, labour and training providers. The "Doing It Right" report from this review considered accomplishments and lessons learned from the 45 programs that facilitated trades exploration, preparation and support programs and more trades-specific training. The combined programs served 2,300 Aboriginal people.

Looking forward, in September 2013, ITA coordinated the "Partners in Trades Forum" in collaboration with 14 construction trade unions and bringing together more than 100 representatives from 15 BC Aboriginal employment and training organizations. Participants considered the potential to build on positive trend lines that now see over 1,100 Aboriginal people entering trades training annually.

ITA developed a best practices guide that shares the lessons learned by Aboriginal employment agencies, First Nations, post-secondary schools, industry and trade unions in how to design a program that will assist Aboriginal people with finding the trade that works for them and succeed in becoming a registered tradesperson. http://www.itabc.ca/managing-apprentices/best-practices-guides#AITT



LET ME SHOW YOU– IMMIGRANTS IN TRADES TRADES TRAINING

Immigrants in Trades Training (ITT) is an LMA-funded initiative managed by ITA to encourage and support recent newcomers to Canada interested in pursuing a trade.

The ITT initiative is designed to help new Canadians overcome specific financial, cultural and other challenges to establishing a career in the trades. Many skilled new Canadians already have technical skills from their home countries, but need Canadian certification. To assist in their transition to Canada, ITT offers programs to skilled new Canadians with hands-on experience, financial assistance, safety training, English courses, and career counselling to help them become valuable, well-rounded employees.

Since 2008/09, approximately 1,800 new Canadians will have completed training or introductory training through these programs.

ASSESSMENT TOOLS AND INITIATIVES

For employers, the value of a trade certification is the assurance that a job applicant has a known measure of knowledge and abilities. Competency-based assessment tools can increase that confidence when candidates demonstrate practical skills to go along with passing a written exam. They also provide a means for experienced Canadians and internationally-trained workers to demonstrate their abilities during the certification process instead of just writing an exam.

Working with industry, labour, colleges and ITOs, ITA's Enhanced Challenge Pathways initiative has begun building practical assessment tools for five high-demand trades: Construction Electrician, Carpenter, Millwright, Metal Fabricator and Heavy Duty Equipment Technician.

The administrative learning curve for introducing these assessment tools is significant. Practical tests need to be standardized, made reasonably available across the province and be overseen by assessors who have the training and expertise to assess candidates in a fair and equitable manner. Competency-based tests must measure up to the standards set by the national Red Seal Program. Most importantly, new assessment tools must enhance the recognized value of certification.

With the model of collaboration and development in place, the first five trades employing the new assessment tools will be piloted in 2014 and rolled out in 2015.

INTRODUCING STANDARD LEVEL EXAMS

In 2013/14 Standard Level Exams (SLEs) were developed and launched for 52 trades.

Apprentices in these trades will need to write a common provincial exam in order to progress from one level to the next. This is an exciting development that will enhance mobility for apprentices, increase hiring confidence for employers and, in addition, offer opportunity for on-the-job or foreign-trained workers to receive recognition for prior learning and experience. Before SLEs were available, on-the-job or foreign-trained workers had two options to earn certification – challenge the certification exam or go to school and start at Level 1.
With SLEs, they will now be able to earn partial credit toward a program and enter training at the higher levels.

ITA recognized that if every training institute employs the same SLEs, a premium is placed on the quality of that exam. ITA worked closely with its training partners to identify and address policy and educational practices impacted by the introduction of SLEs.

The introduction of SLEs will also be of value for Canadians wishing to 'challenge' their skills against Level competencies. By comparing their skills and knowledge with Level requirements they can identify knowledge and training gaps

Continued progress in the development and rollout of additional SLEs for additional programs can be monitored on the ITA website.

www.itabc.ca/exams/standard-level-exams

STRENGTHENED INDUSTRY RELATIONSHIPS

In 2013/14, ITA worked closely with the six independent and sector-specific Industry Training Organizations (ITOs). ITOs played a role in identifying training needs for their sector, and in delivering the services and strategies required to meet them. ITOs partnered with ITA in a variety of industry engagement activities.

Additional industry engagement strategies and resources were introduced to extend and deepen ITA's connections across BC industries and sectors. ITA strengthened its internal capacity to foster relationships with the full range of its industry clients – employers and sponsors, labour and training providers – through outreach programs and improved regional supports. In 2013/14, the Apprenticeship Advisor program was launched, with a Manager in ITA headquarters and four on-the-ground Advisors located regionally in Nanaimo, Kelowna, Terrace and Prince George. A new Industry Relations position was also introduced to provide additional capacity to the organization in identifying and meeting industry client needs.

GOVERNMENT'S LETTER OF EXPECTATIONS

Government identified specific ITA accountabilities in its letter of expectations for the 2013/2014 year. The Minister of Jobs, Tourism and Skills Training and the chair of ITA's board signed that letter. The accountabilities outlined in the letter and ITA's related actions during 2013/2014 are summarized below. Further details on ITA's responses are discussed throughout this report.

1. Continue to work closely with government to implement the following initiatives under the Canada Starts Here: BC Jobs Plan – Skills and Training Plan:

a. Expand opportunities for youth to begin training for trades careers prior to graduation, by increasing the capacity in K-12 apprenticeship programs by 50% by 2015/16;

ITA's 2012/13 Kindergarten to Certification youth strategy, based on extensive consultations and research, laid the groundwork for a rollout of new initiatives and program enhancements in 2013/14. ITA youth programs (ACE IT, SSA, YES 2 IT) continued. New initiatives were piloted, aligned with the refreshed youth strategy, with The Mentorship Project pilot, Maker Day pilots, and the Ministry of Education's Skills Exploration 10-12 course.

b. Increase the number of apprentices who complete trades training programs, and the number of employer sponsors who participate in apprenticeship training through improved web portal and services and new coaching supports for apprentices and employers;

In 2013/14, ITA introduced new and improved services and supports aimed at increasing the number and rate of apprenticeship completions and employer/sponsor participation. Chief among these was the introduction of Apprenticeship Advisors, offering on-the-ground regional support to help apprentices and employers navigate the apprenticeship system. Other initiatives included:

- Practical improvements to ITA's Direct Access system made it easier and faster for employer/sponsors to enter and monitor apprenticeship information, and apprentices can now get their exam results and transcripts by text message on their mobile device.
- Consultations in 2012/13 revealed that apprentices and employers were eager for more efficient tools to help them connect. In partnership with WorkBC, ITA is in the process of developing an online apprentice job match service, which will allow apprentices to get automatic notifications of job openings in their trade and level.
- New videos and guidebooks targeting sponsors and apprentices were produced and added to ITA's web offerings, and a 'microsite' was launched with apprenticeship information for youth and educators.

c. Implement flexible apprenticeship training initiatives such as front-end loaded delivery models that reduce the amount of time apprentices must spend away from the workplace and/or enhance the productivity of new apprentices as they began the workplace-based components of their training program, while maintaining the quality, depth of training and certification reputation; ITA is to work with ITOs, public and private training institutions and others to design, implement and evaluate such initiatives;

In response to this direction, ITA worked with public and private training providers, ITOs and stakeholders, and funded a dozen pilot explorations into innovative technical training tools and delivery models. Projects ranged from development of online curriculum to support distance learning to front-end loaded technical training that would allow new apprentices to enter their first job-site with a stronger skill set. Other projects tested the advantages of staggered or non-traditional training times and dates and combinations of classroom and distance learning.

d. Develop and implement an initiative to accelerate the development and implementation of competency-based assessment tools and processes for high demand trades between April 2013 and March 2015 to support the domestic and offshore recruitment and certification of semi-skilled trades workers; as part of this initiative, ITA is directed to work with ITOs and public and private trainers to develop "gap training" initiatives to provide workers participating in Enhanced Challenge Pathway assessments with the specific skills they need to gain their trades credentials as quickly as possible.

Intensive development work was done in 2013/14 to apply ITA's Enhanced Challenge Pathway program to five high-demand trades. The first five Enhanced Challenge Pathway trades assessments will pilot and launch in 2014/15, and the learning that went into the creation of the framework model will be applied to additional trades aligned with government priorities. Advisory groups and subject matter experts for each trade – comprised of industry, labour, training providers and ITOs – assisted in the development of rigorous competency-based assessment tools, and ITA realigned its internal capacity to create a new performance assessment capability to support continued expansion of the program. ITA also started the development of online self-assessment tools for the five high-demand trades.

Standard Level Exams were developed for 52 trades. Administration of those exams will roll out starting in September 2014, increasing hiring confidence for employers, mobility for apprentices and clarity for domestic and offshore workers needing to acquire 'gap training'.

2. Continue to expand opportunities for industry input into BC's industry-led trades training system.

ITA intensified its focus on building relationships with industry stakeholders in 2013/14, aligning leadership skills as well as resources and strategies to garner more input. A team of Apprenticeship Advisors is now in place, providing regional access points and on-the-ground intelligence. ITA established the role of Industry Relations Managers as part of building stronger relationships with industry.

ITA continued to recognize employers with regional events in 2013 and maintained initiatives to determine key performance indicators on employer satisfaction and the employer value index through survey research.

3. Conduct a review of national and international best practices in apprenticeship training on an annual basis and where appropriate apply the lessons learned to British Columbia's industry training system.

ITA continued its practice of monitoring national and international best practices.

Ongoing strategies for multi-jurisdictional benchmarking on two key performance indicators – total participation and credentials issued – remained in effect, as well as a comparison of BC's performance against the national average on pass rates for major Red Seal trades.

4. Provide quarterly progress reports on 1 and 2 above and the actions referenced in the Service Level Agreement Letter, in addition to the current reporting requirements.

All reports were provided as directed.

5. Continue to implement carbon neutrality initiatives.

Maintained use of 100% recycled paper and lower-carbon IT technology.

Employed audio and video conferencing to reduce travel requirements.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Revenues

ITA's 2013/14 revenues consisted mainly of core funding from the provincial government, which remained steady at $94.44 million.

2013/14 saw ITA fulfill its 2008/09 commitment to service target groups identified in the Canada-British Columbia Labour Market Agreement (LMA), which provided for $51.4 million over six years, and allowed ITA-managed programs to support over 7,500 women, new Canadians and/or Aboriginal people.

ITA received additional funding of $800,000 from the Ministry of Jobs, Tourism and Skills Training for an initiative to develop assessment capability for foreign qualification recognition.

Expenditures

Expenditures in 2013/14 reflected a shift in investment away from standards development and toward increased industry engagement, in line with the Government's Letter of Expectations and the 2013/14 Service Plan.

Since its inception, ITA focussed significant investment in updating all program standards and during this fiscal year it was trimmed to maintenance levels.

Industry engagement expenditures included transfers to three Industry Training Organizations (ITOs) to develop Liquid Natural Gas (LNG) Action Plans in conjunction with the BC Natural Gas Workforce Strategy Committee.

Training investments were aligned with regional economic needs, informed, in part, by the Province's Labour Market Scenario Model. ITA's targeted investments in Training Delivery saw actual utilization rates finish above the 2013/14 target. It may be too early to determine if this positive result reflects an end to the decline in training demand that followed the 2008 recession. Training Delivery expenditures in 2013/14 included a fund transfer to allow more flexibility in 2014/15 training investment strategies.

Implementation of ITA's refreshed youth strategy, "Kindergarten to Certification" began in 2013/14. Higher than budgeted investment in youth initiatives offset much of the under spending in the area of adult training investment for this year (see Future Financial Outlook, below).

Internal resources were realigned throughout 2013/14 to better serve ITA's customer and client requirements: commencement of the roll-out of the regional Apprenticeship Advisors, reorganization of skills and talent to create separate departments for Industry Relations and Program Standards and Assessments.

In 2013/14, ITA continued to broaden its assessment strategy with two key initiatives. Standard Level Exams (SLEs) were developed and launched for 52 trades.

The Enhanced Challenge Pathways initiative built practical assessment tools for five high-demand trades. Use of these competency-based assessments along with traditional written exams can also increase employer confidence and allow experienced Canadians or foreign-trained workers better opportunities to obtain certification.

ITA also invested in technology to directly improve service to clients. Improvements continue to be made to ITA's Direct Access system to better support apprentices and employer sponsors. ITA is also investing with WorkBC to develop a job match functionality for apprentices.

Credential awareness activity continued to support trades awareness as well as the perceived value of ITA's credentials.

2013/14 Surplus

Effective surplus management strategies resulted in a surplus of $1.252M , a significant decline from the 2011/12 high point.

Future Financial Outlook

ITA will continue to work with the Ministry of Jobs, Tourism, Skills and Training to advance government priorities and direction articulated in the Government's Letter of Expectations, the 2014 McDonald Report, and BC's Skills for Jobs Blueprint.

Alignment with the province's 10-year training strategy and continued implementation of the Kindergarten to Certification youth strategy will create expenditure pressures for ITA.

ITA's programing under the Canada-British Columbia LMA will be continued till December 2014. The province is completing a review of LMA programs that will guide the direction of the program after that date .

Other Areas

Major expenditure categories for ITA in 2013/14 included training delivery, labour supply initiatives, assessment and certification, industry engagement and core expenditures.

ITA is precluded from incurring debt, and annual operating surpluses are transferred to accumulated surplus, which is restricted to expenditures for capital assets. Accumulated surplus will continue to be used primarily to enhance the customer-service functionality of the Direct Access information management system.

ITA had no capital projects greater than $50 million in 2013/14.

Trends, Risks and Opportunities

ITA's training investment strategy will continue to be aligned with the regional economic needs of British Columbia as identified in the Province's labour market information, with particular emphasis on high priority sectors such as LNG. Training investment for apprentices is already aligned to demand, as apprentices have jobs. Training investment for labour supply target areas, such as youth, foundation and LMA groups, will be focused towards high continuation rates into the apprenticeship pathway.

ITA will realign its financial resources as stated in the 2014/15 Service Plan to achieve the outcomes articulated in the Government Letter of Expectations. These will also be updated to reflect recommendations identified in the 2014 McDonald Report and BC's Skills for Jobs Blueprint: Re-engineering Education and Training

ITA's ability to foster successful apprenticeships is always at risk, given the impact of the economy on employer's willingness to hire and train apprentices.

The number of ITA credentials issued has trended downwards since the record high levels reported in 2011-12. That high-point reflected the bulge of increase number of completions after October 2008, when apprentices with sufficient hours but less ongoing work took the opportunity to attend technical training and complete their apprenticeship.

Please see the Operating Environment section on page 9 for further discussion on risks and opportunities impacting ITA's 2013/14 operational and financial performance.

SUMMARY OF FINANCIAL RESULTS

for the Years Ending March 31, 2009 to 2014 and Financial Forecast 2015 to 2017

Statement of Operations (in $ thousands)	2009* Actual	2010* Actual	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2014 Budget	Variance Budget	Variance Prior Year	2015 Forecast	2016 Forecast	2017 Forecast
Revenues												
Provincial general funding	100,538	94,444	94,444	94,444	94,444	94,444	94,444	-	-	94,444	94,444	94,444
Provincial grants and other	2,693	17,230	17,152	8,303	13,979	14,842	14,566	276	863	-	-	-
Provincial crowns	-	-	-	4,250	-	-	-	-	-	-	-	-
Federal funding received	-	97	634	192	98	9	-	9	(89)	-	-	-
Operating	-	433	452	383	404	429	350	79	25	-	-	-
Fees	314	309	341	383	391	415	300	115	24	300	300	300
Investment income	541	121	243	294	351	431	305	126	80	305	305	305
Deferred revenue province	196	1,140	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	40	62	54	53	1	(8)	403	403	403
	104,282	113,774	113,266	108,289	109,729	110,624	110,018	606	895	95,452	95,452	95,452
Expenses												
Standards development	3,339	1,574	2,608	2,437	2,887	2,044	2,370	(326)	(843)	2,320	2,320	2,320
Industry engagement (non standards work)	2,477	3,403	3,621	3,382	2,036	3,510	2,949	561	1,474	2,949	2,949	2,949
Credential awareness	-	-	-	-	505	409	350	59	(96)	100	100	100
Assessment and certification	748	1,448	1,833	1,067	579	748	678	70	169	678	678	678
Training delivery [1]	79,456	82,272	79,349	74,781	72,532	75,728	77,720	(1,992)	3,196	74,220	74,220	74,220
Labour supply initiatives	8,097	13,511	14,068	12,537	18,767	17,515	15,047	2,468	(1,252)	5,160	5,160	5,160
Administration	8,106	8,966	7,827	8,366	8,075	8,675	10,047	(1,372)	600	9,168	9,168	9,168
Amortization	502	458	590	716	772	743	857	(114)	(29)	857	857	857
	102,725	111,632	109,896	103,286	106,153	109,372	110,018	(646)	3,219	95,452	95,452	95,452
Annual surplus	1,557	2,142	3,370	5,003	3,576	1,252	-	1,252	(2,324)	-	-	-
Accumulated surplus [2]	6,058	8,200	12,383	17,386	20,962	22,214	20,962	(1,252)	(1,252)	22,214	22,214	22,214
Purchase of capital assets	1,160	1,190	1,118	1,585	393	515	983	(468)	122	2,000	2,000	2,000

* 2009-2010 was prepared based on Not for Profit Canadian Generally Accepted Accounting Principles.
2011-2017, including forecast information, was prepared based on current Canadian Generally Accepted Accounting Principles (GAAP - PSAB).

Notes

1. Includes apprenticeship and foundation programs and Queen's Printer Curriculum Development.
2. Due to the nature of the ITA operations there is no total debt.

MANAGEMENT'S REPORT

Management's Responsibility for the Financial Statements

THE FINANCIAL STATEMENTS HAVE BEEN PREPARED BY MANAGEMENT IN ACCORDANCE WITH CANADIAN PUBLIC SECTOR ACCOUNTING STANDARDS AND THE INTEGRITY AND OBJECTIVITY OF THESE STATEMENTS ARE MANAGEMENT'S RESPONSIBILITY.

Management is also responsible for all of the notes to the financial statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements. A summary of the significant accounting policies are described in Note 2 to the financial statements. The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

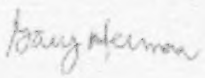
Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced. The internal controls are designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the financial statements.

The Board of Directors is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and exercises these responsibilities through the Board.

The Board reviews internal financial statements at every meeting and external audited financial statements yearly. The Board also discusses any significant financial reporting or internal control matters prior to their approval of the financial statements.

The external auditors, BDO Canada LLP, conduct an independent examination, in accordance with Canadian auditing standards, and express their opinion on the financial statements. The external auditors have full and free access to financial management of Industry Training Authority and meet when required. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the financial statements.

On behalf of Industry Training Authority



Gary Herman
Interim Chief Executive

Sue Thomas, CA
Officer Chief Financial Officer

May 28, 2014

INDEPENDENT AUDITOR'S REPORT

BDO

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Vancouver BC V6C 3L2 Canada

Independent Auditor's Report

To the Board of Directors of the Industry Training Authority

We have audited the accompanying financial statements of the Industry Training Authority, which comprise the Statement of Financial Position as at March 31, 2014 and the Statement of Operations and Changes in Accumulated Surplus, Changes in Net Financial Assets and Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly in all material respects, the financial position of the Industry Training Authority as at March 31, 2014, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

BDO Canada LLP

Chartered Accountants

Vancouver, British Columbia
May 28, 2014

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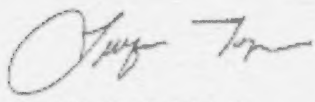
INDUSTRY TRAINING AUTHORITY

STATEMENT OF FINANCIAL POSITION

As at March 31, 2014
in thousands of dollars

	Note	March 31, 2014	March 31, 2013
Financial Assets			
Cash		17,813	15,502
Accounts receivable		282	37
Due from government/other government organizations	3	4,198	7,688
		22,293	23,227
Liabilities			
Accounts payable and accrued liabilities	4	2,772	3,681
Employee future benefits	5	-	6
Due to government/other government organizations	6	1,543	2,657
Deferred revenue	7	394	447
		4,709	6,791
Net financial assets		17,584	16,436
Non-financial assets			
Tangible capital assets	10	3,927	4,155
Prepaid expenses		703	371
		4,630	4,526
Accumulated surplus		22,214	20,962
Contingent liabilities	9		
Contractual obligations	11		

The accompanying notes are an integral part of these financial statements.



Gwyn Morgan, Board Chair

INDUSTRY TRAINING AUTHORITY

STATEMENT OF OPERATIONS AND CHANGES IN ACCUMULATED SURPLUS

For the Year Ended March 31, 2014
in thousands of dollars

	Note	Budget (Note 14)	March 31, 2014	March 31, 2013
Revenues				
Provincial general funding		94,444	94,444	94,444
Provincial grants and other		14,566	14,842	13,979
Federal funding received		-	9	98
Operating		350	429	404
Fees		300	415	391
Investment income		305	431	351
Other		53	54	62
		110,018	110,624	109,729
Expenses	12			
Standards development		2,370	2,044	2,887
Industry engagement (non standards work)		2,949	3,510	2,036
Credential awareness		350	409	505
Assessment and certification		678	748	579
Training delivery		77,720	75,728	72,532
Labour supply initiatives		15,047	17,515	18,767
Administration		10,904	9,418	8,847
		110,018	109,372	106,153
Annual surplus		-	1,252	3,576
Accumulated surplus at the beginning of the year			20,962	17,386
Accumulated surplus at end of year			22,214	20,962

The accompanying notes are an integral part of these financial statements.

INDUSTRY TRAINING AUTHORITY

STATEMENT OF CHANGES IN NET FINANCIAL ASSETS

For the Year ended March 31, 2014
in thousands of dollars

	Budget (Note 14)	March 31, 2014	March 31, 2013
Annual operating surplus	-	1,252	3,576
Acquisition of tangible capital assets	(983)	(515)	(393)
Amortization of tangible capital assets	857	743	772
Write-downs on tangible capital assets	-	-	76
	(126)	228	455
(Acquisition)/use of prepaid expense	-	(332)	221
Increase in net financial assets	(126)	1,148	4,252
Net financial assets at beginning of year	16,436	16,436	12,184
Net financial assets at end of year	16,310	17,584	16,436

The accompanying notes are an integral part of these financial statements.

INDUSTRY TRAINING AUTHORITY

STATEMENT OF CASH FLOWS

in thousands of dollars

	March 31, 2014	March 31, 2013
Operating transactions		
Annual surplus	1,252	3,576
Non-cash items included in annual surplus increase/(decrease):		
Amortization	743	772
Change in prepaid expenses	(332)	221
Change in receivables	3,245	(3,840)
Change in payables and accrued liabilities	(2,029)	(94)
Change in deferred revenue	(53)	(108)
Cash provided by operating transactions	2,826	527
Capital transactions		
Proceeds on sale/writedown of tangible capital assets	-	76
Cash used to acquire tangible capital assets	(515)	(393)
Cash applied to capital transactions	(515)	(317)
Increase in cash	2,311	210
Cash at beginning of year	15,502	15,292
Cash at end of year	17,813	15,502

The accompanying notes are an integral part of these financial statements.

NOTES TO FINANCIAL STATEMENTS

for the years ended March 31, 2014

1. Nature of Operations

Industry Training Authority (ITA) is a Crown agency established on January 2, 2004 and operates under the authority of the *Industry Training Authority Act*. ITA reports to the Legislative Assembly through the Ministry of Jobs, Tourism and Skills Training. The mandate of ITA is to oversee occupational standards, credentialing, and apprenticeship for skilled trades and occupations in demand by industry and the BC labour market. It serves the public interest ensuring industry standards and credentials are in place for skilled trades and occupations, while providing individuals with accessible technical apprenticeship training opportunities that are closely linked to workplace opportunities. These services are grouped into the following key areas: standards, industry engagement, credential awareness, assessment and certification, training delivery and labour supply initiatives.

On April 29, 2014 the Province announced it was accepting all recommendations made by Independent Review Leader Jessica L. McDonald in her report: *The Industry Training Authority and Trades Training in BC: Recalibrating for High Performance*. While ITA's current role was re-confirmed, implementation of the report's recommendations will have an impact on the operations of ITA in 2014/15 and beyond.

ITA is exempt from income taxes under the *Income Tax Act*.

2. Summary of Significant Accounting Policies

a. Basis of accounting

The financial statements are prepared by management in accordance with Canadian public sector accounting standards established by the Public Sector Accounting Board of the Chartered Professional Accountants Canada.

b. Tangible capital assets

Tangible capital assets are recorded at cost, which included amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of assets.

The cost, less residual value, of the tangible capital assets, is amortized on a straight-line basis over their estimated useful lives as follows:

Furniture and equipment	5 years
Computer hardware and software	3-10 years
Leasehold improvements	10 years

Annual amortization is charged in the year of acquisition and in the year of disposal. Assets under construction are not amortized until the asset is available for productive use.

Tangible capital assets are written down when conditions indicate that they no longer contribute to ITA's ability to provide credentials and services. The net write-downs are accounted for as expenses in the statement of operations.

Transfers of capital assets from related parties are recorded at carrying value. ITA has recorded additions relating to computer software for apprenticeship records at carrying value.

c. Employee future benefits

i. The employees of ITA belong to the Public Service Pension Plan, which is a multiemployer joint trustee plan. This plan is a defined benefit plan, providing a pension on retirement based on the member's age at retirement, length of service and highest earnings averaged over five years. Inflation adjustments are contingent upon available funding.

The joint trustee board of the plan determines the required plan contributions annually.

The contribution of ITA to the plan is recorded as an expense for the year.

ii. The costs of insured benefits reflected in these financial statements are the employer's portion of the insurance premiums owed for the coverage of employees during the period.

d. Prepaid expenses
Prepaid expenses include payments to private trainers for classes spanning the fiscal year end as well as other operational expenses and are charged to expense over the periods expected to benefit from the prepaid.

e. Revenue recognition
Revenues are recognized in the period when the transactions or events occurred that gave rise to the revenues. All revenues are recorded on an accrual basis, except when the accruals cannot be determined with a reasonable degree of certainty or when their estimation is impractical.

Government transfers are recognized as revenues when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability and are taken into revenue in the statement of operations as the stipulation liabilities are settled.

Contributions from other sources are deferred when restrictions are placed on their use by the contributor, and are recognized as revenue in the period when they are used for the specific purpose.

Revenue related to fees or services received in advance of the fee being earned or the service is performed is deferred and recognized when the fee is earned or service performed.

f. Expenses
Expenses are reported on an accrual basis. The cost of all goods consumed and services received during the year is expensed.

Grants and transfers are recorded as expenses when the transfer is authorized and eligibility criteria have been met by the recipient.

g. Foreign currency translation
Foreign currency transactions are translated at the exchange rate prevailing at the date of the transactions and there are no foreign denominated assets or liabilities existing at year end.

h. Financial instruments
The fair value of a financial instrument is the estimated amount that ITA would receive or pay to settle a financial asset or financial liability as at the reporting date.

The fair values of cash, accounts receivable, due from government/other government organizations, accounts payable and accrued liabilities, due to government/other government organizations approximate their carrying values given their short-term maturities.

i. Measurement uncertainty
The preparation of financial statements is in conformity with Canadian public sector accounting standards. These standards require management to make estimates and assumptions that affect the reporting amounts of assets and liabilities, and disclosure of contingent assets and liabilities, at the date of the financial statements and the reported amounts of the revenues and expenses during the period. Items requiring the use of significant estimates include: collectability of accounts receivable and due from government/other government organizations, the useful life of tangible capital assets and rates for amortization.

Estimates are based on the best information available at the time of preparation of the financial statements and are reviewed annually to reflect new information as it becomes available. Measurement uncertainty exists in these financial statements. Actual results could differ from these estimates.

3. Due from Government and Other Government Organizations

(in $ thousands)	Mar 31, 2014	Mar 31, 2013
Provincial government	4,026	6,588
Federal government	135	351
Other government organizations	37	749
	4,198	7,688

4. Accounts Payable and Accrued Liabilities

(in $ thousands)	Mar 31, 2014	Mar 31, 2013
Accounts payable and accrued liabilities	2,653	3,136
Salaries and benefits payable	14	455
Accrued vacation pay	105	90
	2,772	3,681

5. Employee Future Benefits

ITA and its employees contribute to the Public Service Pension Plan in accordance with the *Public Sector Pensions Act*. BC Pension Corporation administers the plan, including payment of pension benefits to employees to whom the act applies. The Public Service Pension Plan is a multi-employer, defined benefit plan.

Information about obligations for retirement benefits and other employee future benefits is as follows:

a. Retirement and other employee future benefits – pension plan
ITA and its employees contribute to the Public Service Pension Plan in accordance with the *Public Sector Pensions Act*. The plan provides defined pension benefits to employees based on their length of service and rates of pay. The maximum contribution rate for eligible employees was 9.43% (2013: 9.43%). ITA's maximum contribution rate is 10.93% (2013: 10.93%). During the year ended March 31, 2014, ITA contributed $ 370 thousand (2013: $338 thousand) to the plan. These contributions are ITA's pension benefit expense. No pension liability for this type of plan is included in the financial statements.

An actuarial valuation is conducted every three years to assess the financial position of the Public Service Pension Plan's (PSPP's) pension fund. The most recent valuation was conducted as at March 31, 2011, and the results showed that the PSPP's basic account had a deficit of $275.401 million. The contribution rate increase effective April 1, 2012 to the basic account is relatively small, which is in part due to the 2010 rebound in the plan's investments. The actuary does not attribute portions of the unfunded liability to individual employers. The next valuation will be as at March 31, 2014 with results available mid-2014.

b. Long-term disability life insurance and health care benefits
ITA provides life insurance, dental and health care benefits to employees on long-term disability leave for a period of two years after the date of disability. The insurance carrier waives the life insurance premium for employees on long-term disability; however, ITA is responsible for the payment of the premium costs of medical, dental and Medical Services Plan under this plan. The costs of salary compensation paid to employees on long-term disability leave are fully insured through employee paid contributions and are not included in this plan.

The accrued benefit obligations for employee future benefit plans as at March 31, 2014 is $0 thousand (2013: $6 thousand).

6. Due to Government and Other Government Organizations

(in $ thousands)	Mar 31, 2014	Mar 31, 2013
Federal government	2	4
Provincial government	496	391
Other government organizations	1,045	2,262
	1,543	2,657

ITA's liabilities to government and other government organizations are all amounts payable that are due within 30 days. Other government organizations includes: colleges, universities and school districts.

7. Deferred Revenue

	Balance Apr 1, 2013	Receipts	Transferred to revenue	Balance Mar 31, 2014
Tenant inducement Richmond office	447	-	53	394

ITA received $530 thousand in tenant inducements for leasehold improvements to the Richmond office in fiscal 2012. This revenue is being deferred and recognized over the term of the lease.

8. Fiscal Risk Management

a. Financial management risk objectives and policies
In the normal course of operations, ITA is exposed to financial risks that have the potential to negatively impact its financial performance. These risks may include credit risk and liquidity risk.

b. Credit risk
Credit risk is the risk that ITA's counterparties will fail to meet their financial obligations to ITA, causing a potential financial loss.

Accounts receivable primarily consists of amounts due from other governments; therefore, collection risk is low. ITA does not consider its exposure to credit risk to be material.

c. Liquidity risk
Liquidity risk is the risk that ITA may be unable to generate or obtain sufficient cash or its equivalent in a timely and cost effective manner to meet its commitments as they come due.

ITA has in place a planning, budgeting and forecasting process to determine the funds required to support ITA's normal operating requirements. ITA's annual budgets are approved by the Board of Directors.

9. Contingent Liabilities - Pension

ITA no longer has an obligation arising from employees' potential voluntary purchase of past service in the Public Service Pension Plan of $0 thousand (2013: $50 thousand). Changes in the accrual are reflected in the Statement of Operations.

10. Tangible Capital Assets

2014 (in $ thousands)

	Furniture and equipment	Computer hardware and software	Leasehold improvements	March 31, 2014 Total
Cost				
Opening Balance	481	6,545	600	7,626
Additions	47	464	4	515
Disposals	-	-	-	-
Closing Balance	528	7,009	604	8,141
Accumulated Amortization				
Opening Balance	349	3,028	94	3,471
Additions	80	603	60	743
Disposals	-	-	-	-
Closing Balance	429	3,631	154	4,214
Net book value	99	3,378	450	3,927

2013 (in $ thousands)

	Furniture and equipment	Computer hardware and software	Leasehold improvements	March 31, 2013 Total
Cost				
Opening Balance	481	6,298	600	7,379
Additions	-	393	-	393
Disposals	-	(146)	-	(146)
Closing Balance	481	6,545	600	7,626
Accumulated Amortization				
Opening Balance	271	2,464	34	2,769
Additions	78	634	60	772
Disposals	-	(70)	-	(70)
Closing Balance	349	3,028	94	3,471
Net book value	132	3,517	506	4,155

11. Contractual Obligations

ITA has entered into a number of multiple-year contracts for operating leases for premises and equipment. The lease commitments are for space costs and exclude operating costs. These contractual obligations will become liabilities in the future when the terms of the contracts are met. Disclosure relates to the unperformed portion of the contracts.

(in $ thousands)	Mar 31, 2015	Mar 31, 2016	Mar 31, 2017	Mar 31, 2018	Mar 31, 2019	Thereafter
Contractual obligations						
Future operating lease payments - offices	208	195	202	206	206	498
Future operating lease payments - copiers	8	-	-	-	-	-
	216	195	202	206	206	498

12. Expenses by Object

The following is a summary of expenses by object:

(in $ thousands)	Mar 31, 2014	Mar 31, 2013
ITO-delivered services	5,200	4,660
Training provider services (including Youth)	83,282	82,280
LMA contractor services (Women, Aboriginal & Immigrant)	9,336	8,493
Other operating costs	1,453	1,297
Compensation and staff development	5,397	4,900
Information systems / telecommunications	1,239	1,237
Communications, website and brand awareness	987	790
Building occupancy and other	411	361
Amortization	743	772
(Gain)/loss on disposal/writeoff	(1)	76
Other administrative costs	1,325	1,287
	109,372	106,153

Compensation and staff development costs for all ITA employees are included in Administration in the Statement of Operations as all program delivery and employee activity is in support of ITA's single product Certificates of Qualification.

13. Related Party Transactions

ITA has the following transactions with the government and other government controlled organizations.

(in $ thousands)	March 31, 2014	March 31, 2013
Transfers from:		
Ministry of Jobs, Tourism and Skills Training		
- core funding	94,444	94,444
- projects LMA, ECP	14,674	13,747
Ministry of Innovation, Technology & Citizens' Services	429	404
Ministry of Advanced Education	168	232
	109,715	108,827
Transfers to:		
Post secondary institutions	75,698	70,890
School districts	4,910	6,329
Ministry of Innovation, Technology & Citizens' Services	687	710
Ministry of Education	647	317
Public Service Pension Plan	370	338
BC Stats	19	19
Crown Corporation Employers' Association	2	2
	82,333	78,605

14. Budgeted Figures

Budgeted figures have been provided for comparison purposes and have been approved by the Board of Directors. These budgeted figures were included in ITA's 2013/14 Service Plan.

15. Comparative Figures

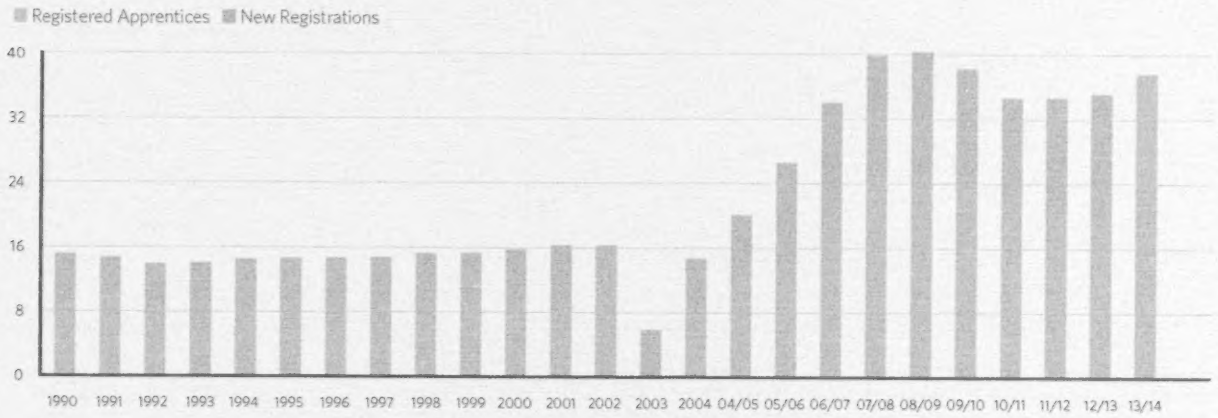
Certain comparative figures have been restated to conform to current year's presentation.

KEY STATISTICS

The full bars in these graphs represent the total number of registered apprentices at the end of the relevant time period. The orange sections of the bars represent the proportion of that total made up of new registrations during the period. Registered apprentice figures from 1990-2002 and those from 2004 onward are not precisely comparable — as a result of the implementation of refined classification and tracking procedures — but provide an indication of relative participation levels over time. Sufficiently comparable numbers are not available for the 2003 transitional period immediately prior to when ITA was formed and only the new registration figure is shown for that time period.

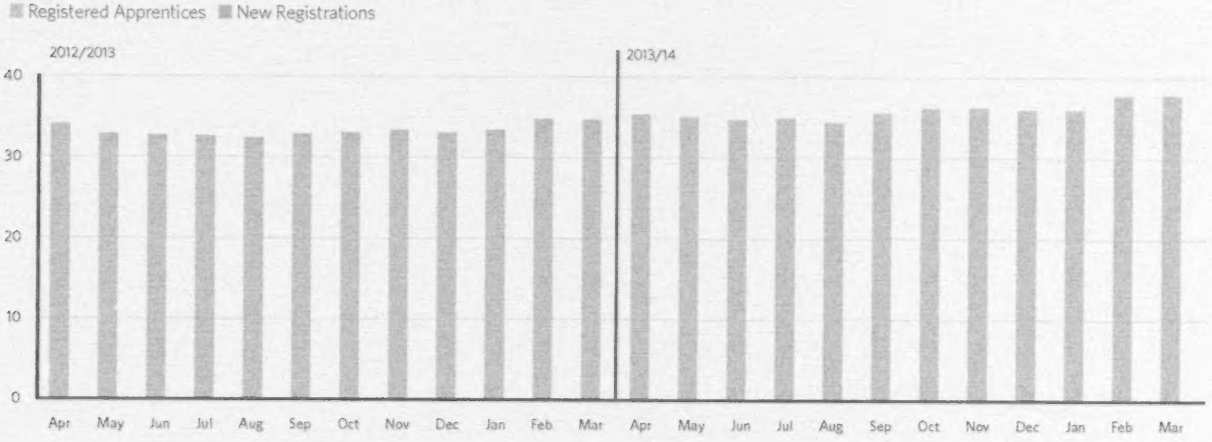
Historic Performance: Registered Apprentices and New Registrations

(in thousands)



Recent Performance: Registered Apprentices and New Registrations

(in thousands)

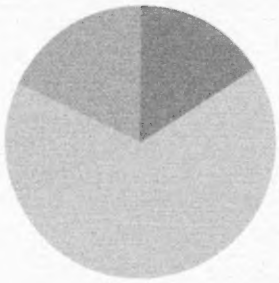


Training Participants

Figures include youth participants and exclude foundation program participants as of March 31, 2014

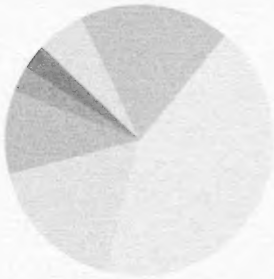
By Age

19 & under	16%
20 - 24	30%
25 - 29	22%
30 - 34	14%
35 & above	18%



By Region

Kamloops-Cariboo	6%
Kootenays	5%
Lower Mainland	44%
Vancouver Island	17%
Okanagan	9%
Northwest	3%
Northeast	3%
Prince George	6%
Fraser Valley	7%



Operating Industry Training Organizations: Scope of Responsibilities

Total Apprenticeships Registered as of March 31, 2014

19,271 Construction Industry Training Organization

6,372 Resource Training Organization

3,430 go2: The Resource for People in Tourism

3,237 Transportation Career Development Association

3,157 Automotive Training Standards Organization

1,535 Unassigned

732 HortEducation BC

Total Apprenticeships Registered: 37,734

Number of Programs

Figures include youth participants and exclude foundation program participants as of March 31, 2014

21 Non-ITO

29 Construction Industry Training Organization

16 Automotive Training Standards Organization

14 Transportation Career Development Association

20 Resource Training Organization

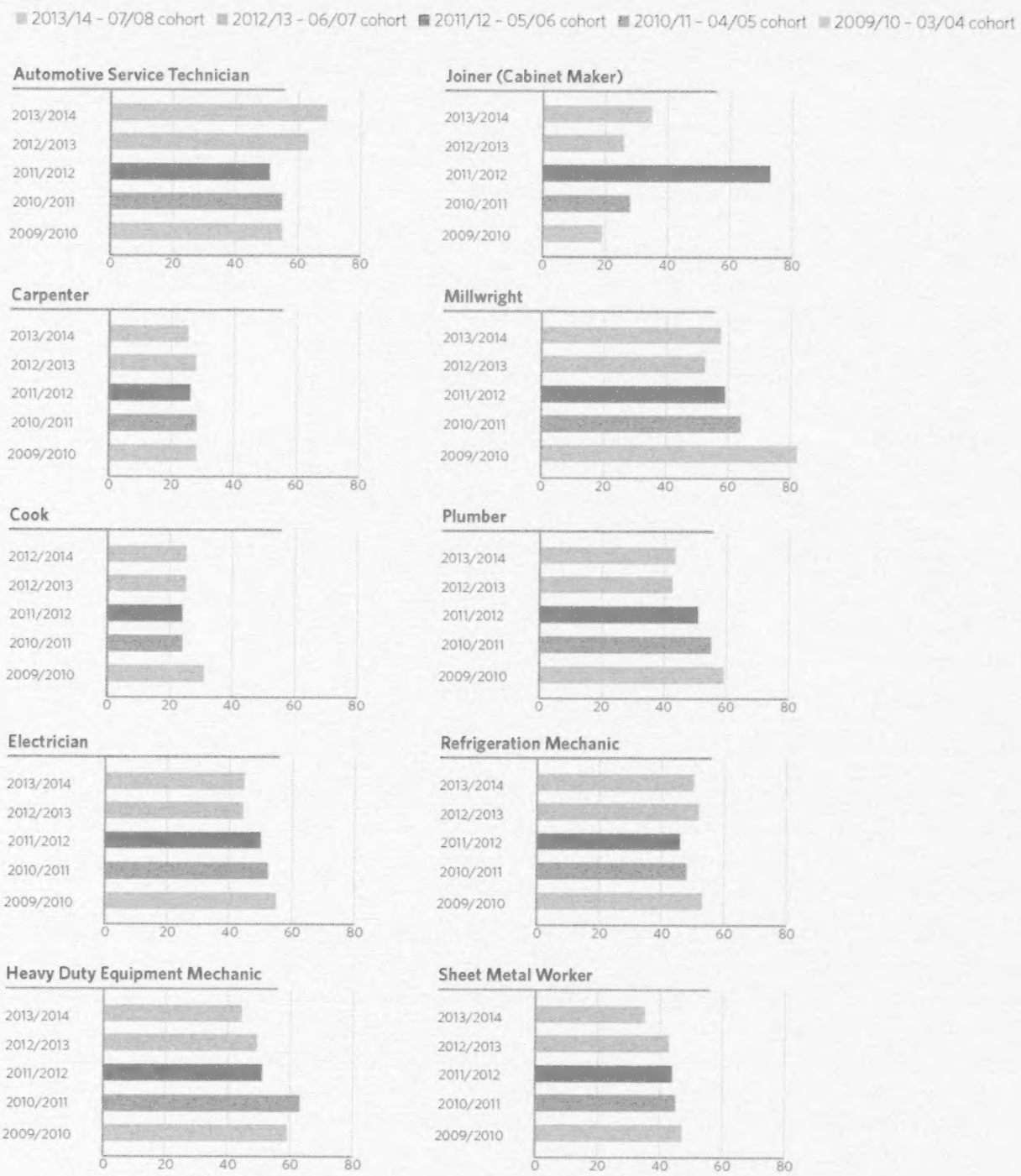
8 HortEducation BC

6 go2: The Resource for People in Tourism

Total Programs: 114

Completion Rates, Major Red Seal Trades

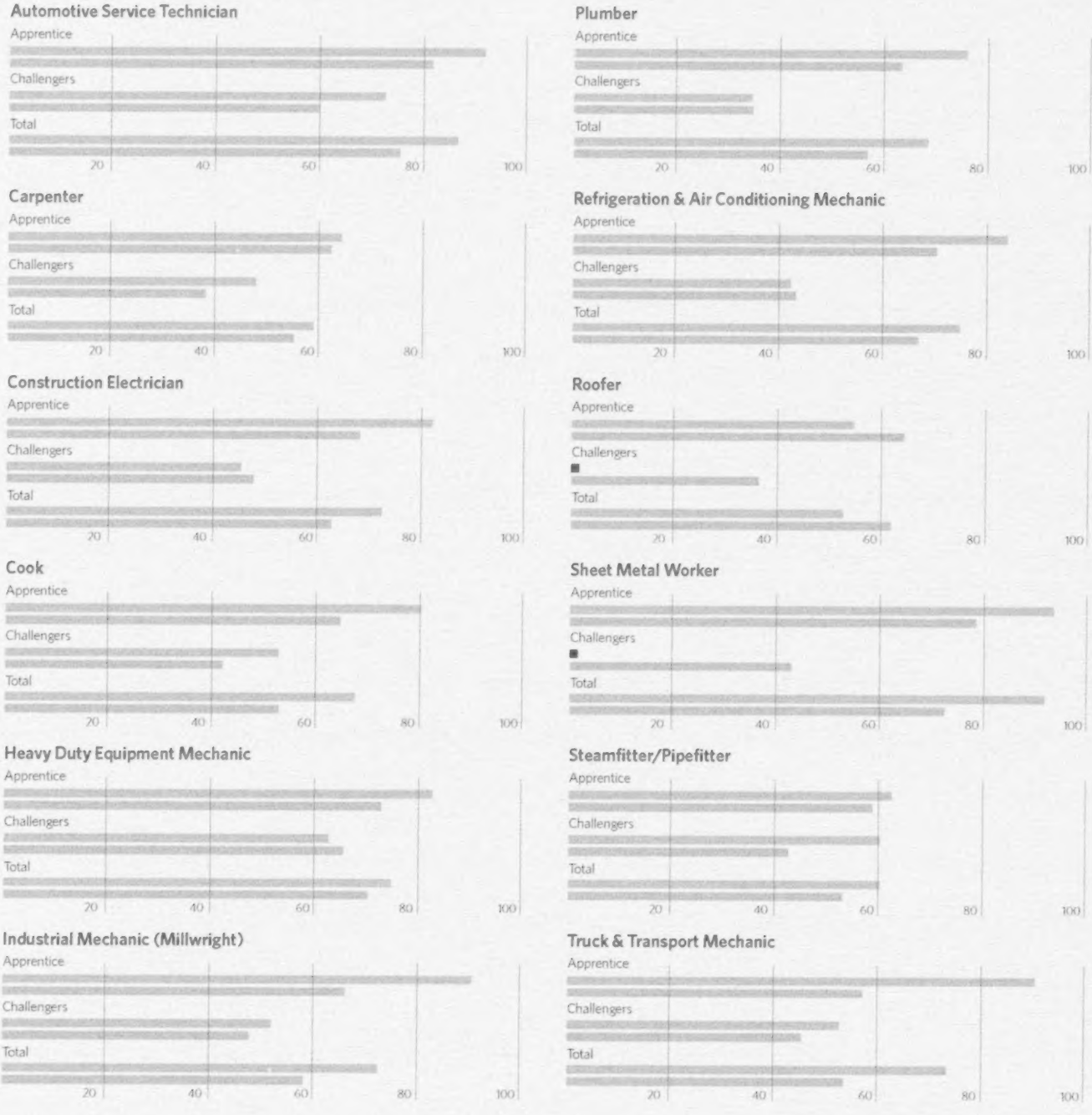
(average in percentage)



BC and National Examination Pass Rates: Major Red Seal Trades 2013

Based on number of exams written (in percentage)

British Columbia National Suppressed (due to small numbers of challengers)



GLOSSARY

Apprentice
A person who registers with the Industry Training Authority and pursues an industry training program — combining work-based training with technical or institution-based training — with the intent of obtaining an industry training credential.

Challengers/Challenge Process
Individuals who have not participated in a formal apprenticeship program in Canada, but who have been assessed and approved to undergo final certification assessment requirements based on their prior experience and existing skills.

Credential/Certification
Recognition that an individual has met the requirements of an industry training program either through participation in a formal apprenticeship program or through a challenge process. In BC, credentials take the form of provincial Certificates of Qualification (often issued with inter-provincial or Red Seal endorsements), Certificates of Apprenticeship, and Certificates of Completion (foundation programs).

Direct Access
An information management system designed to track system-wide performance, and provide apprentices and sponsors with the ability to register, access program information, check transcripts, enter training hours and trigger recommendation letters.

Competency-Based Assessment
Any of a range of standards-based means of assessing competency — such as interviews and observation of the practical application of defined skills — that are alternatives to written examinations.

Foundation Programs
Pre-apprenticeship and primarily school-based programs (including those formerly known as Entry Level Trades Training Programs) directly aligned with apprenticeship programs, and providing an entry point by which participants can earn credit for Level 1 technical training without the need for a sponsor who has committed to provide work-based training.

Industry Training Organization (ITO)
An industry-directed, not-for-profit legal entity with responsibility for developing and managing industry training programs province-wide within a particular economic sector (e.g. automotive repair, horticulture, ICI Construction, transportation).

Industry Training Program
Any of a number of occupation-specific programs involving defined competencies and standards, assessment tools and a credential to be awarded upon successful completion. Includes both apprenticeship and foundation programs.

Labour Market Agreement (LMA)
Bilateral agreements under which the federal government provides funding for specific labour market initiatives for which the province then assumes responsibility to design and deliver.

Occupational Performance Standards
Precise documentation of the level of workplace performance, based on defined criteria, expected by industry of a competent individual within a particular occupation.

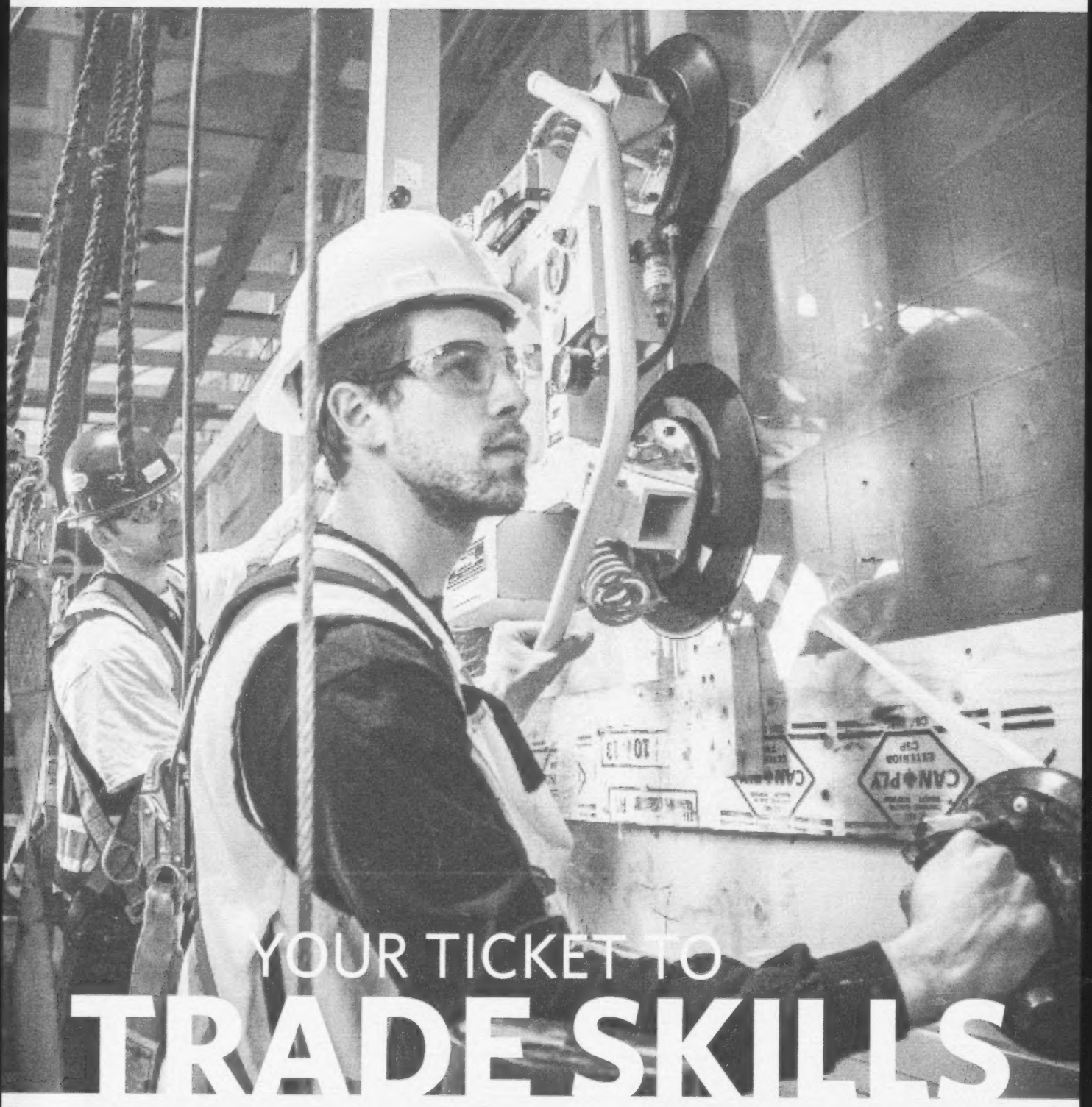
Red Seal
A national program providing a standardized endorsement for specific occupations/trades and allowing for greater labour mobility across provincial/territorial boundaries. Upon successful completion of a Red Seal exam, a Red Seal endorsement is added to the provincial credential.

Sponsor
A qualified individual or other legal entity (often, but not necessarily, an employer) that commits to ensuring that an apprentice receives work-based training relevant to his or her industry training program, and under the direction of one or more qualified individuals.

Standard Level Exams (SLE)
Examinations developed by ITA for standardized use by training providers in determining successful completion of a specific level of a multi-year apprenticeship program.

Technical Training
The institution-based (in-class or distance education) component of an industry training program that provides a combination of theoretical knowledge and practical skills to complement work-based training.

Utilization Rates
The proportion of available spaces within ITA-funded technical training programs that were actually filled by training participants (including programs offered at public post-secondary institutions, by private trainers, and as part of pilot programs).



YOUR TICKET TO

TRADE SKILLS

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